CORRUPTION IN THE PALESTINIAN AUTHORITY: NEO-PATRIMONIALISM, THE PEACE PROCESS AND THE ABSENCE OF STATE-HOOD

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CORRUPTION IN THE PALESTINIAN AUTHORITY: NEO-PATRIMONIALISM, THE PEACE PROCESS AND THE ABSENCE OF STATE-HOOD

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THESIS SUBMITTED FOR THE DEGREE OF

DOCTOR OF PHILOSOPHY

UNIVERSITY OF DURHAM
SCHOOL OF GOVERNMENT AND INTERNATIONAL AFFAIRS
2012
CORRUPTION IN THE PALESTINIAN AUTHORITY: NEO-PATRIMONIALISM, THE PEACE PROCESS AND THE ABSENCE OF STATE-HOOD

ABSTRACT

The thesis examines the practice of corruption in the Palestinian Authority (PA) from the period of its establishment until the death of Arafat. Palestinian elite formation from the late Ottoman period until the establishment of the PA was assessed in order to identify the elites that came into power in the PA and the political cultures they came to espouse. The two primary elite groups’ (Outsider elites and Insider counter-elites) conflicting political cultures were assessed in how they influenced the decision making process, the construction, and exhibited institutional behaviour of the PA. With the signing of the Declaration of Principles on Interim Self-Government Arrangements (Oslo Accords) on the 13th of September, 1993 between the Palestine Liberation Organisation (PLO) and the Government of Israel it established the Palestinian Authority as the government in transition for the Palestinians. The agreements conferred the governing power and leadership role to the PLO Outsider elites (under Arafat). Due to the secret nature and asymmetrical power relation by which the negotiations and agreements were conducted and signed between the PLO Outsider leadership and the Government of Israel, which excluded inputs from Palestinian Insider elites, the culminating PA structure came to exhibit institutional weakness with certain neo-patrimonial behaviour. The political framework by which the Oslo Accords constructed the PA and influenced by international actors warranted institutional-weakness. Moreover, as external actors’ demands for the PA to deal with the declining Peace Process, and address political and security issues increased, PA corruption behaviour became more apparent and proliferated which became indicative of its fundamental problem in that it lacked statehood, lacked authority and legitimacy, and thus resorted to neo-patrimonial and repressive methods to govern. This neo-patrimonial political culture of Arafat and his governing Outsider elites used corruption as a PA political tool for survival thus suppressing a nascent democratic political culture of the Insiders and consequently led to an institutionalisation of corruption in the PA.
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<td>AHLC</td>
<td>Ad Hoc Liaison Committee</td>
</tr>
<tr>
<td>CAC</td>
<td>Joint Civil Affairs Coordination and Cooperation Committee</td>
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<tr>
<td>CIDA</td>
<td>Canadian International Development Agency</td>
</tr>
<tr>
<td>DOP</td>
<td>Declaration of Principles on Interim Self-Government Arrangements</td>
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<tr>
<td>DFLP</td>
<td>Democratic Front for the Liberation of Palestine</td>
</tr>
<tr>
<td>EU</td>
<td>European Union (EU)</td>
</tr>
<tr>
<td>GAO</td>
<td>U.S. General Accounting Office</td>
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<tr>
<td>GCO</td>
<td>General Control Office</td>
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<tr>
<td>GIS</td>
<td>General Intelligence Service</td>
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<tr>
<td>GSS</td>
<td>General Security Services</td>
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<tr>
<td>GUUPS</td>
<td>General Union of Palestinian Students</td>
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<tr>
<td>GUPW</td>
<td>General Union of Palestinian Women</td>
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<tr>
<td>GUPWo</td>
<td>General Union of Palestinian Workers</td>
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<tr>
<td>IDF</td>
<td>Israel Defense Forces</td>
</tr>
<tr>
<td>IDRC</td>
<td>International Development Research Centre</td>
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<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
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<tr>
<td>JMCC</td>
<td>Jerusalem Media and Communications Centre</td>
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<tr>
<td>MEPP</td>
<td>Middle East Peace Process</td>
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<tr>
<td>NGO</td>
<td>Non-Governmental Organisation</td>
</tr>
<tr>
<td>OPT</td>
<td>Occupied Palestinian Territories</td>
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<tr>
<td>PASC</td>
<td>Palestinian Armed Struggle Command</td>
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<tr>
<td>PA</td>
<td>Palestinian Authority (also known as Palestinian National Authority)</td>
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<tr>
<td>PARC</td>
<td>Palestinian Agricultural Relief Committee</td>
</tr>
<tr>
<td>PASC</td>
<td>Palestine Armed Struggle Command</td>
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<tr>
<td>PCC</td>
<td>Palestinian Central Council</td>
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<tr>
<td>PCP</td>
<td>Palestine Communist Party</td>
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<tr>
<td>PCSC</td>
<td>Palestinian Commercial Service Company</td>
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<tr>
<td>Abbreviation</td>
<td>Description</td>
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<td>PEC DAR</td>
<td>Palestinian Economic Council for Development and Reconstruction</td>
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<td>PFLP</td>
<td>Popular Front for the Liberation of Palestine</td>
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<tr>
<td>PIF</td>
<td>Palestinian Investment Fund</td>
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<td>PLA</td>
<td>Palestine Liberation Army</td>
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<td>PLC</td>
<td>Palestinian Legislative Council</td>
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<td>Palestinian Liberation Organization</td>
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<td>PLOEC</td>
<td>Palestinian Liberation Organization Executive Committee</td>
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<tr>
<td>PLOCC</td>
<td>Palestinian Liberation Organization Central Committee</td>
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<td>PMRS</td>
<td>Palestinian Medical Relief Society</td>
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<td>PNC</td>
<td>Palestinian National Council</td>
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<td>PNF</td>
<td>Palestinian National Front</td>
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<tr>
<td>PNF</td>
<td>Palestine National Fund</td>
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<tr>
<td>PRCS</td>
<td>Palestine Red Crescent Society</td>
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<tr>
<td>PSF</td>
<td>Preventive Security Force (al-Amn al-Wiqa'i)</td>
</tr>
<tr>
<td>PSS</td>
<td>Preventive Security Services</td>
</tr>
<tr>
<td>SAMED</td>
<td>Social Affairs and Welfare for the Families of Martyrs and Prisoners</td>
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<tr>
<td>SCNS</td>
<td>Supreme Council for National Security</td>
</tr>
<tr>
<td>SSF</td>
<td>Special Security Force</td>
</tr>
<tr>
<td>TCAS</td>
<td>Technical Center for Agricultural Services</td>
</tr>
<tr>
<td>UNLU</td>
<td>Unified National Leadership of the Uprising</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>UNC</td>
<td>Unified National Command of the Uprising</td>
</tr>
<tr>
<td>UPMRC</td>
<td>Union of Palestinian Medical Relief Committees</td>
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<tr>
<td>UNRWA</td>
<td>United Nations Relief and Work Agency</td>
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<tr>
<td>VAT</td>
<td>Value Added Tax</td>
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DECLARATION

I hereby declare that the content of this thesis is my original work. I further declare that the materials contained in this thesis have not been previously submitted by me for a degree in this or any other university.

Luciane Fuefue-'o-Lakepa Fangalua

2011

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Luciane Fuefue-'o-Lakepa Fangalua
ACKNOWLEDGMENTS

I would like to thank those who have helped me along the way throughout my PhD. First and foremost I would like to express my sincere gratitude to my supervisor, Prof. Emma Murphy, for her knowledge, guidance and encouragement throughout every step of my PhD and the development of this thesis. Dr. Ghassan Khatib provided invaluable hours of discussion and information, as well as opened many doors for me during my fieldwork. Dr. Uri Davis provided immeasurable assistance and time.

I would like to thank the friends who supported me in innumerable ways: Fiona, Henri, Stecy, Arlene, Simone, Yoonjoung, Francisca, Sami, Seif, Amjad, Suleiman and Kostas. I extend my appreciation to the British Institute in Amman for hosting me, particularly to Dr. Bill Finlayson and Dr. Carol Palmer. I am also grateful to those who gave me their invaluable time in interviews for this thesis.

I would like to thank Visions Center for Strategic and Development Studies, particularly Dr. Khaled Awamleh and staff for their support.

I am indebted to my parents, Siaosi and Malia, and my siblings, Viola, Joseph, Rowena, Charlene, Jacinda and Justin for their continuous support, faith and encouragement.

Finally and especially, I would like to express my loving thanks to Martin for his unfailing support, endless patience, encouragement, and for standing by me.
DEDICATION

This thesis is dedicated to my nephew, Noé Kalani Fangalua, my maternal grandparents, Katalina Felila Bloomfield Latu and the late Metuisela Polikalepo Latu, and my late paternal grandparents Luseane Tahihi Fakatoumafi Fangalua and Pesamino Fangalua.
INTRODUCTION

The protracted nature of the Palestinian-Israeli conflict has prompted scholarly studies and attempts to decipher the persistent nature of the conflict as well as finding means to bring resolution. Over sixty-years have passed since the establishment of the State of Israel and the division of the Palestinian territories; and yet, no genuine final status resolution has been reached. However, the memorable 13 September, 1993 signing of the Declaration of Principles on Interim Self-Government Arrangements, also known as the Oslo Accords, between the Palestinian Liberation Organisation and the State of Israel led to the establishment of the Palestinian Authority (PA).

The PA was created to serve as the transition government for the Palestinians and was perceived as a move towards the final resolution of the conflict. Yet, the path towards resolution has been riddled with issues of undemocratic behaviour, corruption, and a neo-patrimonial governing political elite. Corruption in the PA gained the attention of the international community when the survival of the Middle East Peace Process (MEPP) was threatened particularly by opposition and Islamic groups either through violent acts or heavy criticism. This was significant in principle when advancement towards a resolution of the protracted Palestinian-Israeli conflict was conditional and based on the PA’s ability to maintain a government, and adhere by the peace accord principles. As the MEPP began to falter, an increasingly distinct neo-patrimonial and corrupt PA leadership and elites became more conspicuous. With these charges, the structure of the PA became increasingly scrutinised to assess why corruption was endemic. This thesis is an attempt to answer the following research question: What
INTRODUCTION AND METHODOLOGY

leading factors sustained and proliferated corruption in the Palestinian Authority? As such, was corruption inevitable in the Palestinian Authority? The thesis will try to decipher the complexity of the leadership political culture and their intra-relationship and how, if any it contributed to the rampant corruption in the PA. The struggle between the PLO Outsider leadership and the co-opted Insider counter-elites, the notable-PLO Outsider elite-counter-elite relationship, and the role of the peace accords in shaping and influencing the behaviours of the leadership will also be examined.

THEORETICAL FRAMEWORK

In order to understand how the PA came to be corrupt, existing literatures on corruption were examined which led to the following theoretical framework that it cannot be understood by the application of one theory, or the corruption theory itself. Rather, it requires a number of theories in order to produce a comprehensive explanation for the PA’s situation as a non-state. The thesis chose theories which could be applicable to the Palestinian case and their ambiguous state of existence particularly as a non-state actor though with the characteristics of a post-colonial state and with post-colonial maladies, and a strong leadership and society (informal structure) but weak-state structures (formal structures). The theories that were chosen are thought to be the best suited for this thesis when applied to the PA. Therefore, the thesis commenced by first defining corruption due to its ambiguous definition. It utilises the work of Joseph S. Nye and Robert Williams on corruption. Second, it then analyses Max Weber's understanding of a traditional patriarchal and patrimonial system which consequently leads to Shmuel N. Eisenstadt’s construction and identification of a hybrid nature of neo-patrimonialism. This requires an understanding of the Arab experience therefore Hisham Sharabi’s
INTRODUCTION AND METHODOLOGY

application and understanding of neo-patriarchy which assesses the development particularly from a social aspect rather than the political as ascribed Eisenstadt. Third, it analyses post-colonial states during their formative years—which prior to colonisation functioned on a traditional patriarchal system—and how their political systems manifested various stages of patrimonial and neo-patrimonial characteristics. It also looks at the politics of survival, particularly the extensive work of Joel S. Midgal on weak-states and strong societies, used by the elites who came into power through the strategic allocation of position which consequently enabled them to remain in office. Fourth, the thesis therefore examines the work on elites by Gaetano Mosca and Vilfredo Pareto which is then applied to the post-colonial states and how these elites came to carry forth and exacerbate corruption within the political system. Fifth, Gabriel Almond and Sidney Verba’s work on elite political culture is analysed in order to gain a better understanding of how their political socialisation eventually influenced the decision making process and shaped the characteristics of the state. These theoretical approaches are then applied to the PA in order to gain a better analysis on how the PA came to be corrupt. Were they inevitably constructed to be corrupt through their experiences which shaped their political culture as well as the compatibility between the traditional patriarchal system and the implicit ‘democratic’ system upon which they were modelled? In order to achieve this, it also requires an empirical approach.

METHODOLOGY

The thesis looks at corruption within the Palestinian Authority, the attitude of political elites towards its practice, and the reason for its proliferating nature within the political system. As aforementioned, the thesis aims to answer a pertinent question: What
INTRODUCTION AND METHODOLOGY

leading factors sustained and proliferated corruption in the Palestinian Authority?

Finding a convincing answer to this question which is reflective of the real situation on
the ground can shed some light on how its practice affected the state building process
and the development of the Palestinian Authority (PA). It can also provide an
understanding and framework on how to tackle corruption in developing states.

My textual research points to a prevailing nature of corruption in the Palestinian
Authority. The practice of corruption is seen to influence the decisions of political
elites within the PA subsequently affecting every aspects of society. In order to gain
an in-depth insight and to verify or disprove the assumption that corruption is
institutionalised in the political system and permeates various aspects of the society,
this thesis requires an in-depth understanding of the society, its people, its leadership
(elites) and influencing factor to their behaviour and attitude towards sustaining or
rejection of corruption. This necessitated a substantive and extensive fieldwork on the
ground to gain a genuine understanding and knowledge of my subject matters in order
to augment textual knowledge.

The thesis thus draws on several theoretical approaches in order to develop a full
comprehensive understanding of the existence of corruption in the Palestinian
Authority. The thesis analyses behaviour and belief which often cannot be measured
quantitatively. As such, qualitative methodology was used to examine elite
behaviour—indicators of their political culture—and their role in sustaining or
eradicating corruption in the state structure—particularly in post-colonial states. The
thesis first examines primary texts particularly different theoretical approaches towards
corruption, defining elites and their behaviour in order to understand the general conditions and ailments of corruption in the state structure—which shall be discussed in detail in the following chapter. The thesis looks at different approaches to corruption particularly the works of Robert Williams, J.S. Nye, and Colin Leys. It also draws on the works of Max Weber and S.N. Eisenstadt on (neo) patrimonialism to establish a foundation for understanding the behaviour and orientation of elites and leadership as well as the eventual construction and behaviour of the state—in this case applying it particularly to the Palestinian Authority. The identification of elites is provided through the theoretical work of Gaetano Mosca and Vilfredo Pareto, and Glen Robinson (on counter-elites). Simultaneously, it examines the work of Joel Migdal on elites and their politics of survival, colonialism, and weak state and Almond Verba and Sidney Verba’s work on political culture to comprehend elites’ behaviour and political orientation in post-colonial states. As a result, it became evident that there was evident inadequacy in applying only one theoretical approach to provide a general explanation for why corruption persisted in post-colonial states, and specifically in the PA. It required a conglomerate of the different theoretical approaches mentioned above. This entailed theoretical approaches imbued with sociological, political, economic and anthropological understanding. Secondary texts were also employed to gain a better contextual understanding of the political, social and economic situation in the Occupied Palestinian Territory. The secondary texts also provided and identified certain elites in the Palestinian society which were put through the process of elimination based on the theoretical understanding of elites.

Subsequently, Palestinian elite behaviour was assessed in terms of their relational dynamics, their behaviour towards the political system, their influence on the PA’s
INTRODUCTION AND METHODOLOGY

political structures, and the subsequent espousal or opposition to corruption in the PA. This is limited in so far as behaviour is not culture per se. To counteract this weakness, and limitation provided by the theoretical approach pertaining to the Palestinian society, I conducted extensive on-ground fieldwork participant observation for three months, and then interviews the last five months with elites from different sectors in the Occupied Palestinian Territory. As such, I embarked on a qualitative research, which would supplement my quantitative findings of documented reports on Palestinian Authority financial irregularities, in the West Bank from 2007-2008 aiming to use methods of observation (direct/participatory), interviews, data collection, public records, and personal records to study the Palestinian Authority and its elites. A qualitative research would provide an in-depth understanding of behaviours, practices and decisions that are taken by individuals or institutions. It categorises findings and assists in identifying if there are patterns to behaviours and actions and occur within a certain particular context or are a general phenomena. The aim of my qualitative research through observation and interviews was to provide not only an explanation of why there were irregularities but to also gain an in-depth understanding of why certain decision, practices and behaviours were espoused by Palestinian elites—which were considered detrimental to the state building process—while other conducive practices were discarded. In the process, and in order to get a reflective result of the real situation on the ground, I had to immerse myself in the society in order to gain a better understanding of their views, value system, conception of the others, social and political dynamics, motivation, concerns, political understanding and aspiration, and so forth.
Based on my textual research before embarking on my fieldwork, I concluded from my findings that political elites were concentrated or involved in three sectors (either simultaneously or consecutively): academia, NGOs and public sector. As such, I aimed to be located in one of the three sectors to verify its accuracy which consequently would be conducive to my research. Being thus located would enhance my observation, data collection, and access to my subject study. My fieldwork required that I conduct preliminary preparation particularly in language, and knowledge of the culture and society in regards to behaviour, manner of attire, subject of conversation, social stratification rules and so forth. It also required that I identify key political elites, their background, education, and political affiliation/history. Of interest to my research was identifying those that were politically active before, during and after the Intifada. This would provide me with an initial interview and referral source. This also required that I secure an on the ground sponsor who will provide me with a measure of credibility.

Following the preparation stage, I went on the field to conduct my research. The reality on the ground often did not reflect what I had initially concluded from my textual research. As such, I had to adjust some of my initial understanding and assumption. For example, I did not fully comprehend the reference to ‘occupation’, limitation in movement and in particular, security, and what is truly entailed in the concept of checkpoints until I was on the ground. There was a stark contrast between reality and what is portrayed in texts, articles, and books. These were ‘concepts’ that in praxis would eventually greatly affect my research and access to interviewees due to limitation of movement and distrust of the ‘other’. The limitation in movement, the practice of checkpoints and the mechanisms that accompanied it, and social profiling and (mis)treatment according to perceived ‘ethnicity’ were an initial cultural shock for
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me as a researcher particularly one who had yet to encounter such experience. It also initially challenged my effort to remain objective while in the process of searching for answers to my thesis. Nevertheless, this was a necessary process towards comprehending the real situation on the ground and to understand the fear, behaviour, attitude, motivation, and aspiration of all parties involved.

I was initially stationed in Jerusalem, however moved to Ramallah (West Bank) in order to have better access to and observation of my subject. Ramallah being the headquarter for the Palestinian Authority showcased a diverse and cosmopolitan city due to it being a central location for receiving international donations and housing international workers. It is the financial and political hub for the West Bank. It sets itself off from the rest of the West Bank in that the wealth and job market was concentrated in Ramallah. Even the language spoken between people (Arab-Arab, Arab-Foreigner) where English was predominantly the working language in Ramallah emphasised its ‘internationalism’, wealth, and its aim to be perceived as an international and cosmopolitan city. Yet at the same time, there was an observable gap between the rich and the poor in regards to living quarters and access to resources within Ramallah as well as between Ramallah and the rest of the West Bank. This very distinct gap between the rich and the poor portrayed a high concentration of resources and jobs in Ramallah which excluded to a certain extent many other areas within the Palestinian Territories.

I was then employed at Birzeit University Institute of Law as a researcher on a project on reform within the PA where it became a prime locale for accessing academics and
political elites considering that many of the political elites were either former students or affiliates of Birzeit University. At Birzeit, and as part of the staff, I could observe the political and social dynamics of staff members, participate in and organise workshops and conferences where government officials and political elites took part. I was also able to decipher the staff’s social affiliation and political conviction due to their political socialisation within the university sphere. During the period I was at Birzeit and the having witnessed student elections, the political sphere within the university resonate a dominant Fatah conviction. Being thus located within Birzeit enabled me to have informal dialogues with youths, staff members, and people from different social and economic levels in society on the issue of corruption, their perception and attitude towards corruption, as well as their views on elites’ behaviour and action towards the practice of corruption. My participatory observation through immersion in the society enabled me to understand cultural norms, decipher implicit and explicit statements. The rich social contexts I acquired from being on the field enhanced my theoretical and textual findings.

Interviewees for this thesis were first identified based on the theoretical definition of elites and counter-elites. Therefore, a primary list of interviewees\(^1\) were first identified which met the theoretical criteria for an elite—and what have been identified through compilation of secondary sources specifically dealing with Palestine—and served as the basis for identifying other elites for interviews. The primary list of interviewees was composed of identified individuals who had worked or dealt in formal capacities, both from within or outside of the PA, with Arafat in his capacity as the President of the PA. It also included those who were political activists before and during the First Intifada,

\(^1\) A list of formal interviews are provided in the bibliography section
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some of which were imprisoned either during the Intifada or when Arafat was in office. This list took into consideration individuals who were opposing voices to Arafat from inside as well as those from outside the PA. Identifying elites for my interview also required that there would be a balance between those that were perceived (by textual reference) as being critical as well as those who were perceived as ‘accommodating’ to Arafat. This would provide a comparative analysis of the reality on the ground versus what has been written on Palestinian elites and their political orientation and behaviour. This will be tested against Mosca and Pareto’s analysis of elites, Weber and Eisenstadt’s patrimonialism, Gabriel Almond and Sidney Verba’s understanding of political culture, and Migdal’s politics of survival and weak-state, to assess the construction of the state, elites political orientation, behaviour, decisions taken in the decision-making process, and the protracted practice of corruption in the PA.

Initial interview questions were open-ended and formulated to gain a general background of the interviewee, the extent of their political involvement during the First Intifada and after the establishment of the PA, their role and position during the formulation and establishment of the PA, their experience and perception of Insider and Outsider elites in the decision making process, their perception of corruption and its practice, their understanding of the role and function of the PA—and how they assess its performance, their knowledge and experience regarding issues of corruption and allegation charges during Arafat’s time in office, method by which Arafat and the PA dealt with opposing voices, and Arafat’s (and PA’s) role and reaction to allegations of corruption. In order to accommodate additional information from interviewees, which can be relevant to the research though not part of the original interview questions, the interview process was constructed in a semi-structured fashion to allow for flexibility if diverting from the original questions. The interviews were conducted on a face-to-face
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basis with my target groups both at formal settings and informal settings. The formal interview process, as related above, was documented both on recorder and on paper.

A result of conducting my interviews with my primary list of interviewees was a snow-ball effect where they referred me to other potential interviewees. This method was highly useful particularly with the sensitivity of my research topic, and the ambiguous relationship between elites, which could compromise my research. As a result of the snow-ball process, the interviewees were from different sectors of society: Academia, NGO, Government, Business, Medical, Journalism, and Political. Informal interviews were also conducted from these different sectors and from the general public although not recorded. The snow-ball effect for the interview process does have its limitation and biases where access to elites outside of the circle of network may be excluded. As a result, I used other sources such as my participatory observation and informal interviews, international governments, donors and organisations’ data and reports, academic and news articles, and interviews conducted by other researchers to augment this limitation.

There were interesting power-dynamics involved in the interview process. The attitude towards my interview played on various factors particularly: male-female relation, female-female relation, interviews conducted at interviewee’s office, interview conducted outside of interviewee’s office, and age difference (interviewer vis-à-vis interviewee). The interviews were conducted in a semi-structured format in English. As a result, interviews were limited to elites who could communicate in English. The interviews were conducted mainly in offices or in public places due to cultural norms
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and respectability as a woman. There were benefits as well as challenges for conducting interview as a woman.

During my interview process there were cases where I was met by patriarchal attitude, particularly when interviewing certain interviewees from particular official positions—some in academia and others in politics. This transpired when conducted at the formal office, male interviewees, and/or the age difference was more pronounced. In such a circumstance, I received advice on the ‘appropriate’ topic I should be pursuing and discussing rather than the current topic of research. Discussion would therefore divert to another subject that the interviewee thought appropriate. As a result, this presented both a challenge and a contribution to my interview process. I would gear the interview back to my questions however in the process, I often received information that were either directly or indirectly related to my topic which provided me with an overall view of the behaviour and attitude on the ground. As a non-threatening woman, and/or the age gap was less pronounced, some interviewees were less formal and more willing to depart with certain information that they would otherwise refrain from sharing. At the same time, academics, NGO directors, former ministers, and journalists were often candid and frank in their responses regarding Arafat and the PA. Interviews conducted outside of the office space were often more relaxed and friendly, which allowed for a more fluid discussion. Female-female interviews were either relaxed and informal or maternal. As a foreigner, some interviewees provided answers which were often tailored to meet the interviewer’s expectation. Others were initially suspicious of the intention of the thesis. However due to my primary sources’ credibility, they were able to accommodate my questions. Nevertheless, there still existed an element of distrust and fear due to the subject of my thesis and as an outsider. This was an
expected challenge which was considered before embarking on my fieldwork and thus necessitated residing and working on the field as an observant before conducting the interviews.

There were limitations to my fieldwork particularly due to the restriction in movement, volatility of the situation particularly following the post-2006 division between Fatah and Hamas, and restricted access to areas such as Gaza, interviewees were limited to the West Bank and with certain political factions or non-affiliates. Only those who were able to move in and out of Gaza were interviewed. Moreover, the sensitivity of the issue despite Arafat's death, the unwillingness to mar the reputation or ‘good’ name of others, the fear of my association with particular external actors (U.S. and Israel), and the fact that I could not conduct interviews in Arabic, certain individuals were unwilling to be interviewed. At other times, particular personalities were either unavailable or unwilling to provide time for researchers—especially if they were not in the circle of network of the snow-ball interview process. Efforts at trying to secure interviews with female elites, which fell under my elite definition and allocation of elites in the Palestinian case, were more challenging than securing male interviewees. I either received rejections for interviews or were passed on to male colleagues. Therefore, the low number of female interviewees in my samples is reflective of that challenge.

These methodological tools set out the basis for constructing the thesis and testing my hypothesis. As such, the thesis is structured in a manner which presents a historical storyline of elite formation in the Palestinian territory, the political culture that the PLO
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Outsider elites and the Insider counter-elites came to adhere, the formation of the PA under Arafat and the elites that came to power, and finally the endemic corruption in the PA. The thesis therefore covers the period of elite formation from 1948 until the death of Arafat in 2004.

Chapter One lays out the theoretical tools whereby to help answer the research question was corruption inevitable in the PA. This chapter looks at existing theories on why corruption exists in the developing world particularly when analysing post-colonial states. It argues that using one tool skates over the surface of the thesis and does not explain why this phenomenon occurred and persisted. As such, selected compound theories are utilised for analysing why corruption occurs and persists in post-colonial states. Additionally, this chapter utilises theoretical work on corruption, traditional patriarchal system, neo-patrimonialism, post-colonial states, elites, and political culture. This will provide a framework for the discussion on whether the PA was to be inevitably corrupt.

Chapter Two examines the various stages of elite formation in the Palestinian Territories based on an historical analysis from the Ottoman Empire until the Oslo Accord. It will assess the formative years of the Palestinian political elite, its fragmentation during the era of occupation and exile and the development of accompanying differential elite political cultures—Outside informal (neo-patrimonial) political culture and the Inside nascent democratic political culture. It will demonstrate how these varying political cultures came to play a significant role in the formation and later functioning of the PA.
Chapter Three will demonstrate how the PA was created as something closely resembling a weak state structure, a set of institutions with some state attributes but crucially weakened by various factors including Israeli manipulation of the Oslo agreements (its foundational texts so to speak), the self-interested design of its institutions by Outsiders, its non-sovereign nature, lack of economic independence, lack of autonomy from external pressures, and the insecure and indeterminate nature of its future. This combination of factors will demonstrate how it eventually led to the use of politics of survival by the Outsider elite, who were able to form the core elite, thus creating a division between the Outsiders and the Insiders inside the PA, the latter group increasingly being shunted to the sideline.

Chapter Four will assess how the incompatible political cultures of the PLO and the Counter elites were encouraged to compete with each other for primacy by external actors and how this competition was sustained by the weak institutions. It will illustrate how external actors (Israel and the USA) indirectly supported the informal political culture of the PLO through the endorsement of PLO leader and first PA President Yasser Arafat, and the silent endorsement of PA practices which can be considered ‘corrupt’ or coercive.

Chapter Five argues that the set-up of the PA made it inevitable to be corrupt. It will demonstrate how the various peace agreements contradicted the democratic process and thus required the PA and external actors to endorse PLO (Arafat) practices that did not adhere to democratic principles. Furthermore it will illustrate that the PA’s weak-state
structure had no legitimate power to enforce law & order, except through informal networks which consequently encouraged the use of corruption. Moreover, the PA’s parallel structure, the dominant neo-patrimonial culture of the PA, the general societal passiveness and ‘acceptance’/use of corrupt practices, lack of enforced accountability, and limited power prescribed to the Insiders with democratic political culture, emerging democratic principles were suppressed and corruption became clearly perpetual and institutionalised. Consequently, this chapter will conclude that corruption was used as the modus operandi from the inception of the PA (as the only means for survival for the PA regime and encouraged by external actors to maintain the Peace process); however, it only gained international attention and became ‘problematic’ during periods when the peace process was threatened.

The thesis concludes that corruption in the PA was the result of various factors. First, the Peace Accords impeded the ability of the PA to develop into a full-fledged sovereign state entity by demanding particular (often un-implementable) conditions to be in place before reaching a final status solution. Second, the PLO Outsiders imported a particular political culture which was superimposed onto the structures of the PA. As a result, a perceivable struggle began to emerge between the Outsider leadership and Insider counter-elites. The PA leadership therefore required an alternate approach in order to bypass limitations, restrictions and demands prescribed by the peace accords throughout the different stages of the peace process. Consequently, corruption became an endemic part of the PA institutions.
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INTRODUCTION

The function of this chapter is to determine what constitutes corruption and why it has proved to be an endemic component of many post-colonial states. The chapter will use existing theories to define and understand corruption and to ascertain why it is particularly prevalent in post-colonial states. First, it will examine what constitutes corruption and the debate revolving the terminology and its application which draws on existing explanations for endemic corruption in developing states, which can be considered to most closely resemble the status of the Palestinian Authority. Second, the concept of patriarchal system will be explored regarding its function in society and its influence on the state formation particularly in post-colonial states. This will examine the characteristics of a patriarchal system and the nature of a state that eventually emerges from this system. Within the context of a patriarchal system, patron-client relations will be addressed which are perceived as characteristics associated with underdevelopment and marginalised societies. The concept of patrimonialism will also be identified particularly its distinguishing features from a patriarchal system and its precursor role to a modern bureaucracy. Also under the patriarchal system section, the neo-patrimonial and neo-patriarchal characteristics of a state will be explored in regards to their evolution and the emergence of hybrid regimes and drawbacks of democratic transition for post-colonial states. Third, this chapter will analyse the post-colonial states and its propensity to be ‘weak’ as a result of the
processes through which new state structures were established and their legitimacy relative to the societies over which they governed. The ‘Politics of survival’ will also be analysed within the context of weak-states to understand how the practice of strategic allocation of power in such arrangements contributes to the development of a certain political orientation which support or implicitly endorse what can be seen as corrupt behaviours. Fourth, within this political orientation, indeed as carriers of particular political cultures, the role of elites is crucial, and the chapter will therefore define the concept of an elite and discuss how elites can contribute to the exacerbation and continuance of corruption. The argument for the existence of a core elite will be addressed as well as to who, how, and why individuals are recruited into the elite circle will be examined. Lastly within this section of elite analysis, the types of elites that exist in post-colonial states will be assessed. Fifth, the concept of political culture will be accessed in order to have a better understanding of how elites’ political culture influences decision making processes and can sustain practices within the political system. It will also address the fusion and incongruent nature of political culture. Lastly, this section of political culture will look at the political socialisation process of society in regards to espousing or shunning particular political orientations. By laying out these theories, the thesis aims to show how they are inter-related and how they can be used to establish a framework through which the thesis can explain the extent and nature of corruption in the Palestinian Authority.

**WHAT CONSTITUTES CORRUPTION?**

The concept of corruption has a wide scope of definitions which are often controversial. Scholars of corruption are aware of the challenges of defining a concept, which can be perceived as having a value-base or normative element and which can be
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culturally specific. While a single simplified definition of the concept may be useful, this would unlikely capture the essence of what shall be examined in this thesis and would be implausible to explain the nature of corruption in different contexts. Therefore, two definitions shall be utilised and synthesised in order to have a more comprehensive understanding of corruption. First, this thesis will use Transparency International’s basic definition of corruption as conscious “abuse of entrusted power for private gain.” As the leading international organisation tackling issues on corruption with many branches throughout the world, particularly focusing on countries experiencing high rates of corruption which impeded political, social and economic development, Transparency International’s identification of corruption is important because it provides a definition which can be applied in any field (political, economic or social) of the abuse of power for private gain. Secondly, the definition of corruption by J.S. Nye, the leading scholar on power and interdependence particularly on corruption in the developing world, will be used to access political development in post-colonial states. He identified corruption as behaviour which “deviates from the formal duties of a public role (elective or appointive) because of private-regarding (personal, close family, private clique) wealth or status gains; or violates rules against the exercise of certain types of private-regarding influence.” As such, corruption for the purpose of this thesis will be defined as use of an official’s public office and power to influence or impede public/private actions for private gain.

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Robert Williams, in *Explaining Corruption*, argues that corruption is both “ancient and modern”; however the academic study of corruption only gained popularity and prominence in the late twentieth century.⁵ In the examination of the development of the nation state, the existence of corruption in state institutions has often been considered, even *expected*, to be a necessary process and condition of ‘initiation’ that each country must traverse on its way to maturity. Underlying this notion is the presumption that with each epoch of state existence, state actors will be able to perfect the system through the development and implementation of laws and policies to weed out corruption. However, post-transitional state experiences have established that the initial policies and set-up of the state structure and political system can, and often do, become permanent features which are then incorporated into the political system. Policies, procedures, and accepted set of rules of a new state are filtered down through various levels and channels of the state institution and become institutionalised. Therefore, if corruption is part of the modus operandi during the state-building process, this practice becomes normalised as observed in many developing states. Williams’ pessimistic view about the permanency of corruption in public life argued that: “Like prosperity for all, absolute integrity in public life is rhetorical or idealistic rather than practical and real.”⁶ This ominous analysis suggests that the elimination of corruption is an unrealistic goal overall.

Nonetheless, it seems that the level of corruption and the need for measures to contain it are still more visible and important in developing, as opposed to developed, states. If the state has pervasive regulations—with no standardised processes of implementation as found in many developing states—at the disposal of government officials to enforce

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⁵ Williams, R. *Explaining Corruption*, (Cheltenham, 2000), p. ix
as and when they see fit, then this provides an opportunity for interested individuals in society to use methods of corruption to co-opt officials in order to increase their gain.\(^7\)

This suggests that corruption can be identified with a stage or stages of political development in a country’s history. J.S. Nye argued that if political development is defined as “rational, modern, and honest government,” then it cannot coexist with corruption; and if corruption is endemic in government, a politically developed society cannot exist.\(^8\)

In unstable and politically underdeveloped/developing societies, corruption impedes upon development and deters foreign investment. As found Paolo Mauro in his empirical study on corruption, because of its pernicious nature and need for secrecy and accompanied uncertainty, it reduces investment and economic growth. A small margin of improvement in corruption, i.e. by one standard-deviation, results in an investment rise by a significant 5 percent of GDP and an increase in the annual per capital GDP growth rate by a half percentage point.\(^9\) Nevertheless, in politically underdeveloped/developing societies where corruption is prevalent, immediate economic, social and political benefits from engaging in corruption far exceed adhering to the law. Moreover, because the political system is not well developed the government cannot issue and/or enforce any standardised mechanisms or incentives to deter people from engaging in corruption. Where state institutions are new and fragile, there is an absence of negative repercussions because state officials fail to implement accountability measures or value movements toward transparency. It has been suggested that the only means to bridge the gap between association of actions and


consequences is through education and social progress\textsuperscript{10}, proposing that the relationship between institutions and society, the capacity of the former to assert themselves over the latter, is a key factor. Thus, the rationale underlying the variation between corruption in the developed world and in post-colonial states is the degree of political (im)maturity of the state institutions, and the element of ownership and investment in the state’s political and economic stability and progress by society as a whole.

Although corruption is most commonly associated with developing states rather than developed states, high profile cases have attested that it is not exclusive to the developing world. Thus it may in fact have more to do with the type of political structures than their stage of development. If states experience periods of corruption during their initial periods of state-building, then corruption should only be a temporary phenomenon and will gradually be phased out as the state progresses to conform to the ‘universal’ prescriptions of transparency associated with developed status. However, the degree of corruption in the developing world has escalated rather than declined, indicating a more prevalent nature. This perceived inherent disposition of corruption in the developing world is sometimes attributed to the merging of modern official (bureaucratic) and the informal (patriarchal) systems of governance within the process of development itself where customary law\textsuperscript{11} supersedes the formal legal system. The two systems, which are themselves at variance with one another, become integrated as existing social structures and serve as the “glue” which binds citizens to their more

\textsuperscript{10} Williams, R. Explaining Corruption, (2000) p. ix

\textsuperscript{11} Customary law refers to “traditional common rule or practice that has become an intrinsic part of the accepted and expected conduct in a community, profession, or trade and is treated as a legal requirement.” See, Business Dictionary, \textit{Customary Law}, (2011), http://businessdictionary.com/definition/customary-law.html (accessed 12 Jun. 2011)
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formal government bureaucracies. As Robert Presthus observes, cultural parochialism masks the fact that “nepotism and subjectivity seen in bureaucratic systems of many less-developed societies are a manifestation of their pattern of family relations in which personal loyalties outweigh the demands of technical supremacy.” For example, it is a common understanding and practice in traditional societies—particularly in many parts of the developing world—that the perks given to a government official are not limited to him in his official capacity but are expected to extend to those under his responsibility i.e. members of his social group. High profile corruption cases have emerged in various stages in the developed world which attests to the existence of corruption into the “developed” stage. The implosion of the Italian political system subsequent to the tangentopoli (kickback city) revelations showed the devastating effect of corruption, its deep-rooted nature, and how it had penetrated all aspects of Italian society from judges, to politicians, and to civil society. This corruption undermines public trust in a range of political and economic institutions and inhibits the processes of further political and economic development just as it does in the developing world. For example, the recent $65 billion USD Ponzi-scheme case of Bernard Madoff had a demoralising impact on all facets of the American society, not just the financial institutions of Wall Street, but generating distrust of the government, regulators and financial institutions. The Madoff case also had far reaching international economic consequences which affected individuals, businesses and governments in both the developed and the developing worlds.

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Other recent cases of corruption in developed states also challenge Nye’s hypothesis. Since 1985, the British government’s fraud investigation and prosecution unit, the Serious Fraud Office (SFO), has investigated suspected accounting irregularities of Europe’s biggest defence contractor, the British arms manufacturer BAE Systems, in a £43 billion ($66 billion USD) Al-Yamamah oil-for-arms deal with Saudi Arabia. The contract was a government-to-government deal, with BAE being the main contractor involved in the sale of 120 Tornado aircraft, Hawk trainer jets and other military equipment.\(^\text{16}\) The National Audit office launched an investigation to probe allegations that BAE was running a slush-fund where they bribed Saudi Arabia royals and intermediaries to secure the Al-Yamamah deal. However the enquiry was eventually suppressed by the British government citing demands to safeguard British national security. It soon became public knowledge that the reason behind the British government’s intervention was Saudi Arabia’s ultimatum: halt the SFO enquiry within 10 days or lose the contract issued for 72 Eurofighter Typhoon combat jets—which was being developed in collaboration with the BAE Systems.\(^\text{17}\) The British government’s role in condoning corruption, for the benefit of the home state and economy, illustrates that corruption is not confined to the developing world.

But if corruption can be found in all types of political system, its effects are not universally the same. There is of course a generalised assumption of negative effects


\(^{17}\) Bagh, C. and Cutler, D. “Allegations of Corruption at BAE Systems”, (2009). In February 2010, BAE had to pay the US government £250m for “wilfully misleading” the government over payments in order to secure contracts. They also had to pay a separate fine of £30m corporate fine in the UK stemming from a £25.2 radar system project in Tanzania which bribed a senior Tanzanian official to guarantee the contract. See BBC News, “BAE Systems handed £286m criminal fines in UK and US,” BBC News (5 Feb., 2010), [http://news.bbc.co.uk/2/hi/business/8500535.stm](http://news.bbc.co.uk/2/hi/business/8500535.stm) (accessed 10 Mar. 2010)
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(one of the reasons by the continual existence of corruption in political systems continues to baffle analysts, scholars and students alike). Apart from a general tendency to subvert the distribution of state resources, corruption dis-incentivises investment. Arguably it has a far more negative impact on less developed states because it is more likely to penetrate all aspects of society, to divert resources to informal channels at the expense of formal procedures, and to further undermine the structures and capacities of the state. How then can the continued existence of corruption be explained other than as some deficiency in the moral or ethical understandings of political actors in developing states? Field analysts acknowledge that populations are aware of the negative effects of corruption on the development of the state and critical of the officials who practice it, and although there is general understanding of what corruption entails and the harm that it might inflict on the social and political structure, in many cases corruption can be tolerated and sanctioned when filtered through cultural lenses, used as a method for survival, seen as an economic necessity to fulfil one’s familial obligations, or viewed as essential to counter a bureaucratic or inefficient governing institution. In an environment where state institutions are either ineffective or inept, corruption can assist in accessing limited resources, facilitate transactions and speed up procedures that would otherwise prove difficult. Thus, whilst the damage caused by corruption can be identified in both the developing and developed world, in some instances in the developing world cultural/traditional practices can legitimise corruption as a necessary and even beneficial evil. For example, in a tribal or traditional society certain practices—which may be defined as corruption—are a fundamental part

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of familial (immediate and extended) responsibilities necessary for the continuation and preservation of particular traditions and way of life.

In studying corruption, we therefore come to the question of traditional endorsement—often identified as cultural—of practices which may be in dissonance with the ‘universal’ comprehension of corruption. A concept of socio-cultural relativity is necessary to explain why entrenched ‘traditional’ practices, otherwise identified as corruption, are to an extent ‘morally’ and ‘ethically’ acceptable in certain societies, while considered anomalies in others. Since the contradiction lies between the norms by which formal ‘modern’ institutions are expected to function and the norms by which society assesses them ‘informally’, it is useful to turn to the work of authors like Max Weber, Gabriel Almond and Sidney Verba, Walter Rosenbaum and Joel Migdal. They argue that societal ‘normalisation’ of corruption is found in more traditional cultures where familial, tribal and clan duties are the fabric of society. In this type of social structure, the indistinct line between public and private duties often intrudes upon and supersedes formal responsibilities. As a result, the transition from a patriarchal (pre-colonial) political system into a modern (post-colonial) and even ‘democratic’ political system is argued to be a process full of contradictions. The newly constructed political structures of the post-colonial era reflected both patriarchal and patrimonial political norms, leading to hybrid entities with parallel governing structures. The new states, whilst being established on formal ‘democratic’ structures, were infused with patriarchal and patrimonial practices, behaviours and expectations designed to appease and resist change and challenges. Corruption was fostered as an elite tool to bridge the gap between the two incongruent political systems (formal and informal) and acquire power and influence for their own political survival. Consequently, it became
embedded within and sustained by the political system. In order to understand the correlation between binary formal and informal governing and power structure, we first need go back to the work of Max Weber on power, authority and legitimacy.

THE BASIC CHARACTERISTICS OF A PATRIARCHAL SYSTEM

The concepts of power, dominance, and legitimacy are at the core of understanding political systems that emerge during the state building process. Max Weber’s understanding of these three concepts can provide an insight to the political systems that emerged following the post-colonial era. These three forms of legitimate authority described by Weber are an important initial point for the systematic analysis of government structures and leadership accession into power in post-colonial states, in particular the Palestinian Authority. Max Weber identified three forms of pure legitimate authority which he classified as Legal, Traditional and Charismatic authorities. In his definition of Legal Authority, he identifies this with persons who exercise the authority of his office by “virtue of the formal legality of their commands and only within the scope of authority of his office.”20 Moreover, their maintenance of power is based on a rational belief in normative rules where those who are elevated to positions of power have the rights to issue commands. Traditional Authority on the other hand is based on traditional grounds particularly on the conventional belief in the “sanctity of immemorial traditional and legitimacy of the status” of those in positions of power over them. In this case, it usually refers to a chief or lord who occupies a socially sanctioned position of authority and bound by tradition and can be found in traditional societies. Obedience is thus based on personal loyalty within the realm of

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habitual obligations. Finally, Charismatic Authority is founded on the devotion to the exceptional exemplary characteristics, attributes, and heroism of an individual. Obedience is based on trust and belief in the charismatic leader’s exceptional abilities, heroism, and his revelations; however only as long as he can maintain and make individuals believe in his charisma. Ideally, these three forms were perceived to exist independently of a particular government or governing structure and are mutually exclusive. Yet, when applied to post-colonial states, particularly the Palestinian Authority, all three legitimate authorities exist simultaneously in the state structure.

In Traditional legitimacy, we find the concept of patriarchy. According to Weber, patriarchalism is the purest form of traditional domination. It is the “core of all traditional system and is generally confined to household kinship groups.” In this framework, patriarchy is a social system which focuses on social structure and relationships within a traditional ‘familial’ environment and where ‘authority relation’ binds the patriarch (head of household) to the family. The formation of a patriarchal group is founded on an economic and kinship basis where solidarity of the group is attributed to its familial component where members are mutually dependent, sharing lodging, food, and live in close proximity. This is based on the belief that the given rights and duty to obey is consecrated (and continued) by tradition, superstition, fear of God, or apprehension at being ostracised by society for deviant behaviours. As such, patriarchalism in this sense is an inherent and inherited right of authority legitimised by tradition.

23 Bill J. A. and Springborg, R. Politics in the Middle East, (1990), p. 152
When applied to the state structure, Weber’s forms of legitimate authority provide a framework for the legitimisation of dominance. Although domination is not always initially perceived in every social action, it does play a significant role where it profoundly influences and shapes actions—whether political, economic or social.\textsuperscript{26} According to Weber, Power (Macht) is the probability that an individual, within a “social relationship” can enforce his will despite resistance and regardless of the basis of this probability. Domination (Herrschaft) on the other hand is defined in relation to power as “the possibility of imposing one’s own will upon the behaviour of other persons.”\textsuperscript{27} The more sophisticated and modern organisations reveal structures of dominancy. This entails obedience to a chain of commands/orders given through the hierarchy. Weber identified two completely contrasting forms of domination. The first type he classified as domination based on interests—particularly if in a “position of monopoly.” The second he categorised as domination based on authority—where there is an unquestioned power to command and duty to obey. Whereas the first can be short-lived—based on the individual’s popularity, the latter is continuous and sustainable in their ability and means to hold on to power. Domination based on interests or authority can be found in governing structures of post-colonial states.

As recognised by Weber, a ruling organisation can only exist as long as its constituents are “subject to domination by virtue of the established order”\textsuperscript{28} whether in a formal order (state structure) or informal order (familial domain). In a patriarchal system, a patron can exercise his rules and order on the members of the household, and those under his patronage (even over those outside of the household), only as long as he has a following who can act, when needed, in the capacity of an informal ‘administrative

\textsuperscript{26} Weber, M. Economy and Society: An Outline of Interpretive Sociology, (1978), p. 941
\textsuperscript{27} Weber, M. Economy and Society: An Outline of Interpretive Sociology, (1978), p. 942
\textsuperscript{28} Weber, M. Economy and Society: An Outline of Interpretive Sociology, (1978), p. 53
staff’ to enforce his rules and orders. This informal relationship between these groups can viewed through the lenses of patron-client relations where those under his patronage, clients (administrative staff), rely on the patron (head of household or ruler) to provide benefaction and he relies on his ‘staff’ to enforce his orders. The administrative staff serving as “clients” in many cases pertaining to the developing world, are bound to obedience by “custom, by affected ties, by a purely material complex of interests, or by ideal (wertrationale) motives” which can normally be trusted by their superior(s), ruler or head of household to enforce his policies or orders over a number of persons.29

This relation between the patron and the administrative staff/clients often influences the structure of the organisation. However, the operational character of a ruling organisation is determined by such factors as the “mode in which the administration is carried out, the character of the personnel, the objects over which it exercises control, and the extent of effective jurisdiction.”30 Weber’s analysis helps clarify that the manner by which a ruling organisation operates, and how its personnel (officials) behave is determined by the approach by which domination is legitimised. If we extend this understanding to a political organisation as in a state structure, where the character of the personnel (elites or officials) is based on a patron-client approach, and their jurisdiction questionable and illegitimate then the operational nature of the state will reflect those they exercise.

The enforcement therefore of the regime’s authority through dominance (whether passive, acceptance, or by force) is based on loyalty and legitimacy prescribed by

particular motives. In any governing system or social order, obedience to dominance can be based on various motives, ranging from “acceptance” founded on traditional custom to calculated rewards. Therefore, a genuine form of domination in this sense involves a minimum of voluntary compliance based on a personal interest in obedience (material/power based or genuine acquiescence). Moreover, the type of motives will also determine the type of domination. If the motive is based purely on economic advantages, then the relationship between the ruler and the administrative staff is founded on unstable ground. As with Weber’s understanding of order, while motives for obedience based on ‘disinterest’ (religious beliefs, rational belief in the validity of the order, or affectual attitudes i.e. emotional)\textsuperscript{31} or habituation can be sustainable due to more substantial connections such as tribal affiliation, blood relation, and religious beliefs etc., obedience based purely on self-interest as in material gain can be unpredictable as a result of no other legitimising factor for the ruler besides what he can provide material-based for his staff. In the latter case, if the ruler fails in his capacity to satisfy the motives of the staff, then he will be most vulnerable to lose his legitimacy and/or his followers, and will either be eliminated or replaced. However, in the former, the ruler’s legitimacy is based on a check-and-balance relationship where the ruler is accountable to his tribe, familial or social obligation and the followers are obliged to ‘obey’ and/or protect the ruler, based on the same concepts of loyalty, from outside infiltration.

Of most importance to Weber’s analysis is his understanding of the role of legitimacy, and how it is viewed by the populace will determine the type of political structure, how its governing system functions, and the behaviour of its administrators and staff.

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Moreover, it will define the relationship between the administrator and its staff with its governing populace. Weber’s theory thus can be applied to understanding the political structures in post-colonial states, and their governing systems of incongruent modern and traditional governing components which can found in the Weberian legal authorities.

PATRON-CLIENT RELATIONS

In order to understand the political structure of post-colonial states, there needs to be a comprehensive grasp of the concept of patron-client relations which was perceived as a principle attributed to marginalised societies.32 Patron-clients relations, according to S.N. Eisenstadt, are not only an indication of underdevelopment but also of special types of social configuration epitomising particular forms of cultural orientations.33 “The distinguishing feature of archetypal patron-client relationships is a broad but imprecise spectrum of mutual obligations consistent with the belief that the patron should display an almost parental concern for and responsiveness to the needs of his client, and that the latter should display almost filial loyalty to his patron—beliefs reflected by the tendency for familial apppellations to be employed in the relationship.”34

This relational structure also illustrates a close correlation with the composition of trust in society. While friendship is based on trust and equal relations, patron-client relations are hierarchical in structure where clients are subordinate to the patron, and thus are

often in competition for his approval, benefaction, and ear. Regardless of the hierarchical appearance between the patron and client to suggest a ruler and ruled, there is interdependency between the two parties as mechanism for survival. The patron would assure the clients’ political, social and/or economic needs while the clients in turn would pledge their loyalty and support to the patron which ensures his maintaining power. There are degrees wherewith the influence of patron-client relation functions depending on the clients’ level of dependence vis-à-vis the patron and the clients’ access to particular valued resources outside of the patron’s network. In many cases, by securing a client’s position or elevation in society, the patron creates an indebted ally. This relational structure is reproduced throughout the society in pyramidal structures where each client, often the elites in society when take in the broader societal context, from the main ‘patron’—whether king or ruler—becomes a patron in his own rights within his own network.

Like Weber’s two forms of contrasting domination, Oliver Roy identified three types of patronage. The first is a network set up around one particular individual endowed with certain power and prestige. However, this type is temporary and instrumental because it does not survive after the individual is removed from office. The second type is a traditional group, or what he refers to as a ‘solidarity group’ composed of their village, tribe, extended family, clan etc. whose existence preceded the establishment of the state and subsequently defines and dominates the political sphere. It manages the state for its own advantage. This group often superimposed their model of governance (i.e. tribal) and power-structure onto the new state structure which they created and governed by their own elites. The third type of patronage is a ‘modern solidarity group’ created following the establishment of the modern state. They have common interest in the existence of the state and are based on ‘inter-personal’ relations similar to the
traditional solidarity group and manage the state for its benefit and often against the traditional solidarity group. In the last two cases, their power is expanded through the state structure. Contrary to an early anthropological argument that patron-client relations will disappear with democratic development and/or authoritarian rule or modernisation, evolving forms of patron-client relations survive past political, economic and social transformations. As seen by similarity in function between the last two groups proposed by Roy, it questions whether the modern solidarity group is in actuality a manifestation of the traditional solidarity group but restructured for its own survival in a modern setting. Within this paradigm is found the concept of patrimonialism—where the ruler espouses patron-client relation by utilising formal office to maintain informal clientele network thus assuring his retaining power—to dominate not only the social and economic structure of society but also to define the political organisational structure and power relations.

**PATRIMONIALISM**

The term patrimonialism was first introduced by Carl Ludwig von Haller in the early 19th century, however it was Max Weber’s study of dominance and legitimacy that gave it its recognition and still remains the core source for analysing political development. Patrimonialism, which Weber distinguished from patriarchy, was the most important form of government before modern bureaucracy. He defined patrimonialism as a “political domination of a ruler with the help of his personal

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37 Roy, O. “Patronage and Solidarity Groups: survival or reformation?” (2001), p. 271
apparatus (consisting of slave, retainers, ministeriales).” Reinhard Bendix further provides an understanding of patrimonial rule by asserting that it is “an extension of the ruler’s household in which the relation between the ruler and his officials remains on the basis of paternal authority and filial dependence.” Patrimonial system of rule as such was seen as an extension and expansion of the traditional patriarchal system in a more systemic framework of governance where a loyal administrative bureaucracy and military personnel answer only to the ruler. As such, the patrimonial ruler—like the patriarchal ruler—develops an interdependent patron-client relationship with his administrative bureaucracy and military personnel where he as a patron depends on their loyalty and enforcement of his will and orders to sustain his power; and the administrative bureaucracy and military personnel (clients) depend on the patrimonial ruler to provide state resources and position for their personal gain. The use of the term patrimonialism was in response to the problematic study of modernisation because it indicated the transitory nature of a government on the path to modernisation. It also implied that a state will either take one path or another. As such, patrimonialism takes a critical view at basic conclusions and suppositions of the initial studies of modernisation and political development. Unlike patriarchalism, where it focuses on the family and extended social structure, the term patrimonialism is always applied to political regimes or systems.

Patrimonialism illustrates a “noncomplex, nondifferentiated historical, traditional, political regimes.” Nevertheless, the term, as argued Eisenstadt, should not be limited to such a framework as first proposed Weber. If patrimonialism defines noncomplex

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40 Bill J. A. and Springborg, R. *Politics in the Middle East*, (1990), p. 153
41 Eisenstadt, S.N. *Traditional Patrimonialism and Modern Patrimonialism*, (1973), p. 8
societies with ailments found also in more contemporary complex political regimes “characterized by such organizational forms of political life as bureaucracies, parties of popular movements—however weak they may be—which clearly are beyond the scope of relatively noncomplex and traditional polities” 43, why not apply patrimonial assessment to the more complex political regimes?

Authors like Guenther Roth perceive patrimonialism as one of the pre-modern forms of social organization which survived into the modern period however but has lost its “traditionalist legitimation” which once provided it support and reinforcement. Roth argued that the survival and pervasive nature of patrimonialism in the developing world is attributed to the “cultural and political heterogeneity of the new states—a heterogeneity that confronts their governments with the task of welding diverse social units into a nation.”44 Roth identified two forms of patrimonialism. The first he classified as the traditionalist patrimonial regimes whose legitimacy is largely based on traditional basis—often in the form of inherited monarchy or chieftdom. The second type of patrimonialism, and the most commonly found, is that based on personal rulership where Roth argued loyalty is not based on the belief of the ruler’s personal qualifications but rather on material incentives and rewards. The latter claim Roth is the most ineradicable element of public and private bureaucracies of highly industrialized countries.45 Nevertheless, the second type of patrimonialism can also be perceived in post-colonial states and not limited to the Developed World as Roth argued due to incongruent political and traditional governing systems.

43 Eisenstadt, S.N. Traditional Patrimonialism and Modern Patrimonialism, (1973), p. 11
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The process of political modernisation experienced by post-colonial states was seen as a process whereby it would lead to an eradication of, if not replace, the traditional patriarchal system. Despite the modernisation process to the political system, the old structures still remained though in a distorted form in the new system, in what can be perceived as patrimonial political system. In a patrimonial state, the practice of patron-client is often perceived as a fundamental part of the system where the formal governing structure is a continuation of the patriarchy system. State resources and formal network are secured for the development of the informal network and familial (patriarchal) responsibilities. As such, issues defined as corruption become synonymous with the state structure practiced by state officials—elites. This is particularly applicable when analysing the political apparatus in the Developing World, and in particular for this thesis the Palestinian Authority, which emphasises the inherent patriarchal nature of the neo-patrimonial political system.

SYSTEMS OF NEO-PATRIMONIALISM AND NEO-PATRIARCHY

The term neo-patrimonialism was first coined by S.N. Eisenstadt which was used to assess the post-colonial/traditional states transition into bureaucratic states. Eisenstadt’s usage of neo-patrimonialism emphasised its modern aspect during post-colonial phases which differentiated it from traditional patrimonialism found in colonial eras. Neo-patrimonialism as a term was employed by Eisenstadt and later scholars to understand the emergence of hybrid regimes and drawbacks of democratic transitions and development in post-colonialism. This was observable in the unrealised

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modernisation transition for post-colonial states. The characteristics of neo-patrimonial regimes became more distinguishable from the traditional patrimonial regimes during post-colonial phases with the breakdown of the institutional and ideological models of modernisation that had been in existence during the colonial period.\(^{48}\) Another defining characteristic was that power became more observably concentrated at the centre. Any independent movements, which might have been seen as a challenge to the centre, by different groups of strata in society towards access to formation of the symbols of social and moral order, were continuously undermined. The thwarting of autonomous movements existed in parallel, and gave credence to the belief, that the centre is the sole issuer, if not the symbol, of social and moral order.\(^{49}\) By impeding and discouraging investment in the development of civil society, the creation of a social order or national identity, the society was left dependent on the neo-patrimonial regime. Despite efforts towards political modernisation of the political structures, democratic overtones, elections and so forth, the political system in post-colonial states still retained and resembled the traditional patriarchal system.

As with Hisham Sharabi’s work on Neo-patriarchy, he perceives the patriarchal structures in the Arab society as far from being abandoned or truly modernised. Rather it has gone through a process of metamorphosis as it became integrated into the new political system. Sharabi views neopatriarchy as processes of “social, political, and moral decay.” Sharabi identifies the term neopatriarchy as a composition of two concepts, a universal form of traditional society and a ‘unique’ historical development originating in Western Europe which signified the first historical rupture from

The merging of the two concepts of traditional patriarchy and modern patriarchy yielded a form of European hegemonic ‘modernization’; however, this modernization, as an outcome of patriarchal and dependent conditions, did not result in modernity but rather in a “modernized” patriarchy, or neopatriarchy. As such, neopatriarchy cannot be seen as either modern or patriarchal because according to Sharabi, it entails neither characteristics of Gemeinschaft—social cohesion based on family and kinship which is based on belief, or modern aspects of Gesellschaft—deriving from individuals acting on self-interest which precedes the larger communal association. Rather, it is a mixed and disordered system of highly unstable social formation prone to conflicts; and its society is a “dependent, nonmodern socio-economic structure” characteristic of an underdeveloped society. Moreover, a prevailing characteristic of a neopatriarchal state is that it entails (and functions) simultaneously a military-bureaucratic and a security apparatus structure where the latter governs day-to-day activities, and serves as the ultimate regulator of political and civil life. In conclusion, Sharabi argued that a neopatriarchal state, despite its trappings of modern institutional-building with legal and political structures as with a legislature and court system, it is no more than a modernised version of a traditional patriarchal sultanate.

As Christopher Clapham identifies, in The Nature of the Third World State, nepatrimonialism is a “form of organisation in which relationships of a broadly patrimonial type pervade a political and administrative system which is formally constructed on rational-legal lines.” Of particular defining factor for this system is the

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use of state resources by the ‘patron’ to secure loyalty from this clientele (political, social and economic elites within the patron’s network)—reminiscent of the patron-client relationship. Despite its obvious flaws, proper identification of neo-patrimonialism can provide us with an understanding of the mechanism of post-colonial states.

In neo-patrimonial societies, there is a discernible paternalistic orientation towards “distributive, accumulative and extractive policies,” reflective of colonial regimes, whereby the centre controlled key resources and apparatus for development, co-opted and influenced important segments of society or the government, and took responsibility for policies of welfare and distribution. Political struggle was increasing on the basis of “cooption, change or extension of clientele and factional networks often coupled with general populistic appeals made mostly in terms of ascriptive symbols or values representing different ethnic, religious, or national communities.” Consequently, the independence of the legislative body was comprised and captured by either bureaucratic, cliques or army. Eisenstadt’s analysis came to the conclusion that parliaments increasingly acted as “additional arenas of symbolic representation of the polity, of political socialisation and... arenas of struggle between various cliques much more than of independent representation of independent leadership of different groups and strata.” Subsequently, parties in neo-patrimonial regimes conceded representation of their various ideological values and independence for “extensions or changes of networks of patronage.” Neo-patrimonialism came to epitomise the bureaucratic and leadership structure of governments in post-colonial

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55 Eisenstadt, S.N. *Traditional Patrimonialism and Modern Patrimonialism*, (1973), p. 15
57 Eisenstadt, S.N. *Traditional Patrimonialism and Modern Patrimonialism*, (1973), p. 16
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states. Its function and influence on the political structure particularly during the state formation period in the post-colonial era shall be explored.

POST-COLONIAL STATES AND WEAK STATES

Max Weber argues that regime legitimacy depends upon the relative strength or weakness of the state itself.\(^58\) Strong states are believed by the population to have the legitimate monopoly over the use of physical force over the territories of which they are sovereign. Strong states, those accepted by the masses as the legitimate governing entity, are able to formalise political processes and reduce the scope for individuals to use informal means for achieving desired ends. On the other hand, weak states—usually the product of colonial history—have little institutional capacity and little or no legitimacy and are therefore unable to enforce laws or to hold officials or individuals accountable, widening the scope for individuals to manipulate the system through informal channels. A weak state therefore can be identified as a “spectrum of conventional bureaucratic state capabilities that exists alongside (generally very strong) informal political networks.”\(^59\)

Consequently, many of the post-colonial states came to be weak states, with weak institutions, and wherein elites instead relied on the assistance of the informal structures which bound them to fragmented but nonetheless traditional society, in order to function and enforce (their) order. Corruption became a necessary mode of securing the


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state, albeit a dysfunctional and progressively less democratic state. According to Weber, weak states lack one or more of the four basic requirements associated with a strong state i.e. security, legitimate political institutions, economic management and social welfare.\(^{60}\) The weak state faces challenges in providing security for its citizens where it is unable to control its own borders and territory, loses control over the means of violence, and is unable to enforce public order.\(^{61}\) A weak state does not possess legitimate governing institutions able to provide and enforce *inter alia* the checks and balances of power, hold officials accountable for actions or behaviours, an efficient administration, an independent judicial system or inclusive citizen political participation.\(^{62}\) It also lacks the capacity to carry out fundamental fiscal policies or establish a “legal and regulatory” atmosphere which will generate a climate suitable and encouraging of foreign investment, entrepreneur ship, and management of the country’s natural resources or private enterprise necessary for the economic development of the state.\(^{63}\) Finally, a weak state refrains from investing in society particularly in areas that are pertinent to the basic needs of its citizens i.e. education, health care and other social services, because there is no incentive for the development of the society. Ultimately the agents of a *weak* state fall back on informal networks and resort to methods of patronage, bribery, torture, intimidation, harassment, coercion, nepotism, etc., to ascertain that law and order are enforced and that the regime remains in power. The significance of a weak state’s actions is that it coerces the compliance of opposition groups—with assurance of perks and positions in the government. On the other hand, groups resistant to co-optation are subjected to political and/or physical elimination. Regimes in weak states use such informal approaches to reach

\(^{60}\) Patrick, S. "Weak States and Global Threats: Facts or Fiction?" in *The Washington Quarterly* 29, no. 2 (Spring 2006), p. 29
\(^{62}\) Patrick, S. "Weak States and Global Threats: Facts or Fiction?" (Spring 2006), p. 29
\(^{63}\) Patrick, S. "Weak States and Global Threats: Facts or Fiction?" (Spring 2006), p. 29
arrangements (alongside formal agreements) with local power holders and to gain support.\textsuperscript{64}

Why this type of dual or co-existing governing structure is inherent in post-colonial states can be better understood through Joel Migdal’s pioneering work on post-colonial states. Migdal explains how, following colonial withdrawal from Africa, the post-colonial states that were established had just such parallel incongruent governing systems — a formal structure established by the colonial regime and an informal structure reflecting the traditional governing structure of the indigenous population.

Prior to colonial unification in the developing world, particularly in Africa and in the Middle East, the regions were composed of different dialects, cultures, tribes and ethnicities. In order to establish their own domination, colonial administrations created new territorial demarcations, forcibly merged at-odds ethnic groups, and created chiefdoms, chiefs, muftis and strongmen where none previously existed. Ignoring the accepted boundaries of existing social groups, the colonial regimes placed competing and hostile groups—lacking common tradition, language or history—into single ‘enclosed’ territories with boundaries establishing them as ‘one’ nation to conveniently map onto these new geographical boundaries.\textsuperscript{65} Thus, they constructed artificial alliances, nations and groups which were internally conflictual and disharmonious, and where tribal, ethnic, and group loyalty and alliances preceded territorial or national alliances. As with any new reallocation of power, some groups benefitted while others were subordinated or disempowered, depending on their degree of interaction, loyalty and proximity to the colonial administration.

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For a while, these disparate heterogeneous groups, otherwise at odds with each other but similarly discontented with colonial regulations and power, were unified in the common struggle against colonial rule. However, this adhesive mechanism of colonial struggle that held these distinct groups *en bloc* began to collapse as soon as the colonial powers themselves departed. Nevertheless, the disappearance of the colonial regimes as the entities of control was not accompanied by the eradication of the structures and institutions of these new territorial entities. ‘Modern’ bureaucracies and political structures (such as parliaments, and parties) remained and the newly emerging nation-states were infused with colonial interests that did not precisely coincide with indigenous agendas, needs and social structures. Identities and alliances remained within the province of traditional social structures (such as tribe or ethnic grouping) and did not map onto the artificial constructs of the post-colonial state, expediting the proliferation of political and social fragmentations, irredentist wars and secessionist movements.66

For Migdal, colonialism had itself affected and altered indigenous social structures. Colonialism was a consequence of the expansion of the world economy67, as the European powers sought out material and human resources to feed their own trade regimes. European colonial exploitation of the resources of Africa and Asia not only necessitated the imposition of colonial control over demarcated territories but also required changes to existing social structures. Accommodating local elites were empowered, labour markets were interrupted, and local resource distribution was

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reorganised to the colonial powers’ interests.\textsuperscript{68} As a result, a distinctive fragmentation in the social and political fabric of the traditional society became visible, making society susceptible to the creation of a new social, economic and political order and the manipulation of its structures by the colonial regimes. The demands imposed by the global market transformed the societal structure with the relocation of populations from the villages to cities for work, and with the change from subsistence to cash crops. The market revolution moved members of the family into wage labour, while private ownership of land resulted in dwindling land holdings and growing rural indebtedness. These social disruptions shaped the political acumen of the population. For newly urban populations, the situation provided daily interaction with the colonial regime which increased their political awareness. Some social groups were empowered while others saw their relative influence decrease. The global market affected colonial states in ways which created new identities, new social distributions and new political alignment.

When the colonial powers retreated, the political vacuum left was soon filled by altering authorities in a volatile and insecure atmosphere. The legacy of political institutions did not reflect the fragmented and complex but nonetheless traditional society. The state was therefore weak, unable to secure its legitimacy. For those who seized power, short term objectives of their own survival took precedence over long term sustainable goals. Those in power sought to use their office to amass resources for themselves. Unsure of their continued hold on power, the pretence of serving the public and state ‘interests’ was often abandoned as rulers openly pursued private interests.\textsuperscript{69}

The lack of state legitimacy made their offices weak and they drew instead upon

informal political, economic and social networks to co-opt and control, substituting personal traditional legitimacy for formal state ‘legitimacy’.\textsuperscript{70} 

The fragmentation in society worked in favour of the political leaders of post-colonial states by weakening opposition and preventing coalitions of resistance to them. Thus the elites were better able to keep the ‘status quo’ and their own position in office. No social framework existed in which there was a sufficiently common identity broad enough to be the bases for strong social classes to emerge which could challenge the regime elite’s grip over the state. With no imminent threat to their control over the state, the priorities of the new state leaders were not the political, social and economic viability of the state but rather their personal survival and enrichment. Government institutions lacked the authority to implement rule of law, accountability, transparency, and good governance, among other essential elements so there was little state ability to contain misappropriation of power, office, and state resources and officials took advantage of the opportunity to accumulate private gains. Thus corruption became endemic.

\textbf{POLITICS OF SURVIVAL}

Corruption in this sense is not simply about financial abuse but about the distribution and exercise of power. In explaining the politics of survival in weak post-colonial states, Migdal discusses in particular the impact of familial responsibilities on official duties and positions. He identifies the \textit{Politics of Survival} as a fusing of the old and the new political cultures that ultimately blur the line between familial and official duties. The Politics of survival, associated with weak states, it is argued, involves the

allocation (or non-allocation) of posts in government, and positioning of these posts according to an individual’s degree of loyalty, or threat, to existing state leaders (power elites). In accordance with this practice, it emphasises the particular importance of certain state agencies. Political elites allocate the most loyal groups (i.e. their tribe, relatives, and cronies) to agencies posing the most threat to the leadership’s position of exercising social control and retaining power. Agencies with low priorities or with marginal power are staffed with groups that are either least trustworthy, need placating or essential to be co-opted into the system. This type of distribution, Migdal argues, lessens and eliminates threat to state leaders.\(^71\) Social control is exercised through the manoeuvring of state agencies and the strategic placement of key groups and individuals in the state infrastructure.

In the Politics of Survival the regime leadership seeks to eliminate major power centres inside as well as outside the state’s organisations. Agencies within the state apparatus are controlled and eliminated if they become a threat to leaders; however, organisations not directly tied to state institutions such as Non-governmental Organisations (NGOs) or charity groups cannot be easily eliminated. Therefore by allocating certain resources (or posts) to pertinent non-institution groups and individuals while simultaneously withholding them from non-cooperative entities, the regime can ensure placation or concession by otherwise dissident groups. Organisations that are not readily co-opted present a predicament for leaders for they can not be ‘conveniently’ manipulated. One of the main reasons for the strength behind non-cooperative organisations (i.e. charity groups, NGOs, etc.) and the inability of the state to remove them from the political and social sphere is that they (unlike the state) are seen as legitimate entities because they

\(^{71}\) Migdal, J. *Strong Societies and Weak States*, (1988), p. 222
render pertinent social services that the regime fails to provide. Those in power must find means to either ‘work’ with or to gradually eliminate such bodies. One of the methods employed to remove rival is the use of state resources to withhold or divert funds, to provide alternative organisations or cheaper labour, to secure a state monopoly in certain sectors or simply to drive opponents out of business. The manipulation of a state budget and the putting up of barriers to non-state agencies can prevent these NGO organisations from performing their duties.

Migdal maintained that through these mechanisms of weakening state agencies and institutions and eliminating competitors and rival organisations, elites in weak, post-colonial states have been able to stay afloat. Indeed, rather than pursuing the economic and political development of the state, elites prevented state institutions from enhancing their capabilities by means of hindering the development of complex organisations within their system which eventually placed state institutions in a stagnant state of non-development. Critics within the state institutions are limited in their ability to challenge the policy imposed by state leaders (elites) for fear of reprisals, removal, impoverishment of his family, and imprisonment. Officials are forced to choose either to adhere to democratic principles or to abide by the elite’s modus operandi.

Elites are not, however, all powerful. Indeed elites live in a perpetual state of fear and insecurity because of their lack of legitimacy attributable to their formal status and their inability to secure the confidence of the mass or opposition except through co-optation,

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or the *non-legitimate* use of violence and intimidation. With no particular attachment to
or understanding of the masses, elites are incapable of relating to their particular society, of implementing relevant social policies or mobilising the masses.\(^{74}\) As such, the elite is unable to a large degree to achieve “predominance” because its formal state capacities are weak. They are subjected to continual challenges posed by alternative local leaders (such as clan leaders, landlords, land-notables, or strongmen).\(^{75}\) Each component of the fragmented society has its own ideas on how the society should be controlled and maintained, and its own “legitimate” representatives, who challenge the (non) vision of the weak, ‘non-legitimate’, and incapable state. In the face of these constant challenges, the state elites seek only survive, to maintain the status quo, and assure their position of power.

Crucial to this system is the dependence of the individual on the income associated with office. Migdal explains the importance of an individual’s familial responsibility in terms of the lack of a social security system to support the individual and his family in the developing world. Terms in office can become ‘hereditary’ where election or appointment is only a ‘formalised’ process to sustain the ruling regime or ‘family’. Elites therefore engage in strategic political games of alliance, bargaining, appearance of conformity, and collaboration in order to secure and maintain their post for as long as possible. In contrast, in a strong state system, a strong institutional structure exists where leadership positions have defined terms and subject to constitutional amendment if changes are to be made requiring the approval of the mass. The survival of the state official, as can be observed in strong states, is therefore contingent upon his ability to satisfy his constituency.

\(^{74}\) Migdal, J. *Strong Societies and Weak States*, (1988), p. 33

\(^{75}\) Migdal, J. *Strong Societies and Weak States*, (1988), p. 33
In the weak state, the official’s fear of being destitute or being unable to maintain an income if they are removed from office, provides a receptive structure for alternative methods of maintaining state leaders’ tenureship.\textsuperscript{76} Pressure can be placed on officials through informal means which produced a higher outcome of obedience and acquiescence. In a formal legal political setting, subordinate officials could be dismissed but would still retain benefits acquired throughout years of service. However, in a weak state structure where the informal structure is used to maintain the formal, a dismissed non-compliant official can have his assets and wealth seized and confiscated as a form of punishment.\textsuperscript{77} Therefore it is to the benefit of the official—and to his familial responsibilities—that he is acquiescent in the dominant elite political mode of behaviour within the formal structure regardless if it is in dissonance with his own political values. Thus conforming to corrupt practice, or at least tolerating and implicitly endorsing it, is suffused through the entire state apparatus and wider society.

If Migdal understands the politics of survival as an extension of the traditional familial responsibility in weak states, M. McMullan in his study of West African societies, understands it as it the discord between old customs and attitudes, and the new forms of government giving rise to corruption.\textsuperscript{78} Whereas Almond and Verba’s work on civic culture conveyed a ‘nuclear’ definition of family, as one of the factors for a political elite’s engagement in the politics of survival, McMullan includes the extended family and related cultural understandings of how an individual functions and justifies his/her actions within the socio-political realm. In much of the developing world, familial and

\textsuperscript{76} Darden, K. "The Integrity of Corrupt States,” (Mar., 2008), p. 42
\textsuperscript{77} Darden, K. "The Integrity of Corrupt States,” (Mar., 2008), p. 42
\textsuperscript{78} McMullan, M. "A Theory of Corruption” in Williams, R. (ed.) Explaining Corruption, (Cheltenham, 2000), p. 6
social pressure placed on the official inhibit his ability to “cultivate aloofness”. His failure to form a distinction between his role as a clan member and that of a state official is again attributed to the weak state structure which fails to provide basic social security for state employees. Moreover the scarcity in resources and uneven distribution in society produces a competitive environment where those closest (be it individuals or tribes) to the power source stand to gain the most. As a result, the discrepancy between needs and availability can influence an official’s decision making.79

In post-colonial societies, attachment to the collectivity, (i.e. tribe, extended family, etc) can maximise an individual’s survival chances and advancement (political, economic, or social). As a result, his resources or networks are to be “accessed” by the aggregate whole of his network. Lucian Pye in his study of Asian nations found there was a common tendency to emphasize loyalty to the collective over individual freedom and needs. An individual often favoured “paternalistic authority relations” in the form of clans or tribes which provided support and satisfied psychological security and needs.80 This system of paternalistic authority personified political power. Established relationships provided order and discouraged conflict, concentrated on and empowered internal relations, curtailed criticism of authority and thus ultimately provided leaders with unrestrained use of power.81 It is a system applicable to many states in the developing world especially those that have transitioned from a colonial experience. In these societies, there is no clear distinction between the public and private life of an official and, as observed by McMullan, when dissonance occurs between the

government and the traditional society while trying to change the society through imposition of laws and regulations, corruption (in the form of officials favouring their kinship collectives) functions as an emollient alleviating the conflict and decreasing hostility and tension.\(^{82}\)

In another culturally-based explanation for corruption, Colin Leys in his assessment of traditional gift giving society argued that bribery (corruption) is not easily discernible because the line between tradition (which is socially acceptable) and bribery can blur and become normalised when applied in the political sphere. This custom of ‘traditional’ gift giving, as in the form of grains or animals, has taken on a more tangible nature in the contemporary era in the form of money in exchange for favour and/or power within the political system. This practice I define as corruption, though cloaked in the name of “tradition.” Leys labelled this as “rule-infringement…partially concealed by continuity with an older custom.”\(^{83}\) The significance is that there is an underlying rationale indicating that corruption is culturally normative. If dressed as part of an older custom and accepted by the particular society as customary behaviours, then those customs are normalised based on the society’s value or traditional system. Joseph S. Nye identified these pertinent customary behaviours which can affect the role of an official as bribery—using reward to alter the decision of an official, nepotism—allocating benefaction based on personal relationship rather than on merit, and misappropriation—exploiting state resources for private use.\(^{84}\) The exercise of power and application of these behaviours perpetuates a governing system which penetrates all aspects of society and emphasises the disparity between the leadership (particularly

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the governing political elites) and the mass. For the integration of oppositional components in society, corruption served as an emollient to bridge the gap between the mass and the officials/elites. In this regard, we can observe the necessity for elites to practice the politics of survival in order to balance their formal and informal responsibilities where ultimately the informal had a more important role in society.

Migdal et al’s discussion of weak, post-colonial states has thus far introduced us to two further key concepts. The notion that corruption is a manifestation of the Politics of Survival, whereby political elites strategise to retain power, suggests we need to determine more closely who comprises the political elite and what characteristics such an elite might display. Secondly, we have been introduced to the idea that weak post-colonial states exhibit a dual system of formal and informal political structures which themselves exhibit contrasting political cultures, the first informed by a rational bureaucratic culture (and one usually nominally informed by democratic norms) and the second a traditional political culture which reflects family-based or collectivist norms. Regime elites draw their legitimacy from their conformity with the latter political culture, reflecting the lack of legitimacy of the formal structures and the socially-ungrounded nature of the formal political culture.

Corruption occurs when regime elites use their official positions to manoeuvre to retain power by personally controlling, amassing and distributing the resources of the state, drawing on informal structures and legitimising this through traditional cultural norms. The gift giving culture identified by Colin Leys suggests that ‘corruption’ often

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accompanying traditional political cultures can even become part of the formal culture when cloaked under ‘tradition’. Therefore, in order to understand corruption better we need to look at these two factors. First, we need to examine political elites to understand who comprise the regime elites and how they operate, what is their relationship with the wider population, and from where do they draw their authority. Secondly, we need to consider political culture more closely, to consider what constitutes political culture, and how it manifests itself in the political behaviour of elites in both formal and informal politics.

ELITES: KEY AGENTS IN CORRUPTION

Aristotle’s aristocracy, a precursor to ‘elite’, introduced the concept of men in office who stood out from the masses due to their exceptional merit or wealth, though may not necessarily descend from ancestors with equal prominence. The study of elites did not gain recognition or importance until the late 19th century with the theorist Gaetano Mosca’s work *Elementi Di Scienza Politica* (The Ruling Class), first published in 1896, which analysed the characteristics and organisational superiority of the elite. Vilfredo Pareto followed suit with his comprehensive analysis of the elite which emphasised its intellectual and psychological supremacy vis-à-vis the masses. For the purpose of this work, I will be using the term elite as it was used by Harold D. Lasswell to refer those in “possession of influence or power, or who participate in the formation and execution of policy.”

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86 As referred to in Mosca, G. *The Ruling Class (Elementi Di Scienza Politica)*, (New York, 1939), p. 353
Following Mosca and Pareto’s school of thought, Lasswell argued that regardless of the form of government structure, a minority group will always hold real power. Politics therefore, maintains Lasswell, is the study of two types of group in society that make up the political system, the influenced and the influential. Lasswell identified the influential as those, “who get the most of what there is to get… [and] [t]hose who get the most are elite; the rest are mass.”

Mosca saw these two classes as complementary and mutually-dependent. Although the ruling class will be less numerous they hold and exercise power. Mosca perceived elites as those who execute all political task and decision making, monopolise power, and benefit from the rewards that accompany power. On the other hand, the second group comprised of the mass, will be more numerous and controlled and guided by the first. As a result, the ruling class will always be in possession of the material means and tools to remain in power.

Pareto also conceived of society as being composed of only two strata: a lower stratum of non-elite and a higher stratum of elite, itself divided into governing elite and non-governing elite. Pareto maintained that those who belong to the elite class have either reached the pinnacle of their achievements and wealth or were born into this privilege. As with Mosca, Pareto alluded to an unequal distribution of wealth—and station—in society championing the position of ingrained forms of stratification existing in every society. Equally claimed by Aristotle, Mosca, Pareto, Lasswell and Mills is the view that there will always be those who govern and others who are governed. As such, the behaviour, attitude, values and belief of those that govern are a reflection of the social-political milieu that they administer.

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89 Mosca, G. The Ruling Class. (1939), p. 50
91 Bottomore, T.B. Elites and Society. (Middlesex, 1966), p. 8
Mosca and Pareto’s work on the elite influenced many other thinkers, notably Karl Mannheim. Mannheim’s work on political elite offered a causal relationship between elite changes and underlying social structural changes. In his work on *Man and Society*, Mannheim identified two different types of elites and their particular function that exist in each society. He identified the first group as an integrative elite consisting of political and organisation leaders. The second group he labelled the sublimative elite comprised of intellectuals, and moral-religious and aesthetic leaders. While Mannheim’s integrative elite worked through formal political structures such as the political and governmental sphere, his sublimative elite operated through more informal channels such as cliques and groupings. Their aim was to encourage dialogue and stimulate the social, political and aesthetic aspirations of society. Although Mannheim negated the existence of a core elite in favour of the idea of cooperative and equal sublimative and integrative elites—due to their working towards a similar goal though from different angles—he gave insight into the types of elites that emerged. Mannheim’s important contribution to the study of elite, for this thesis, is his argument that it is the nature of the *functions* of elites rather than their *motives* which give them form and shape. For instance, if an elite individual has personal motives but the governing system does not allow him to pursue those motives, then there is less (or no) room for the elite individual to manipulate or exploit the system. However, if the elite individual is given a significant function within a government, his particular position can allow him certain freedom. Therefore, if the elite individual is placed in a key position within a weak-state, where state institutions are incapable of monitoring or restricting certain corrupt behaviours, then the elite figure will have no impeding boundaries or accountability measures to limit his pursuit of personal advantage. In this

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93 Mannheim, K. *Man and Society in an Age of Reconstruction: Studies in Modern Social Structure*, (London, 1940), Part V.
case, the elite have within their means the ability to manipulate or exploit the system. As such, it is essential to examine the functions of the elites in the political system and how their roles contribute to sustaining corruption. Hence, an astute comprehension of who comprise the core of the governing political elites (core elite) and their functions in the system and in society is an important aspect.

**THE EXISTENCE OF CORE ELITES**

The debate over the existence of a core elite versus staggered groups of elites that governs society is central to this study and to understanding the recruitment and distribution of elites within strategic positions around the leadership. The debate centres on whether there is a hierarchy of order within elite structure which allows the researcher to identify a single group of core elites who hold and exercise true power; or whether there is no hierarchy in the elite structure but rather staggered elites who work within an egalitarian power-sharing structure where all have equal influence and rights on the decision making process. The idea that there exists a group of core elite suggests the existence of a main singular group of ruling elite in central power (though there may be subsidiary or counter-elite groups) who are the decision makers and are able to influence the decision making process, unlike staggered elites where all have an equal saying in the decision making process. Moreover, the presence of a core elite group implies that there is a form of cohesive and exclusive nature to their existence.

C. Wright Mills, in his study of power and class structure in the U.S. in *The Power Elite*, provides us with the idea that the government is controlled by a small group of power elite. He introduced the concept of an ‘inner core’ and ‘outer fringes’ of what he calls the power elite, but what is identified here as core elites. Mills asserted that the
inner core is comprised of those who “interchange commanding roles at the top of one

dominant institutional order with those in another.” Moreover, they actively
participate in the final stage of major decision making process. Those who are in the
outer fringes, on the other hand, have no direct involvement, or active participation in
the decision making process, and that their interests and views are considered by the
inner core group. However, those that fall within the definition of ‘inner core’
participate in the direct decision making process, hold great influence and can
indirectly manipulate the decision making process. Pareto’s work on elites, proposes
the existence of two groups of elites—within the elite structure—made up of
“governing” elite and “non-governing” elite. While governing elite serves the same
capacity as a core elite by “directly or indirectly play[ing] a significant part in
government and political life,” the non-governing elite have no authoritative role vis-
à-vis the core elite in government and politics. Pareto’s perception of the elite implied
the existence of a core group within the elite structure as power-holders and actively
involved in the decision making process. On the hand, the non-governing elite, like
Mill’s outer fringes, play no significant role in the decision making process. This
thesis’ definition of core elites needs to be made clear, therefore we will borrow from
Mills to identify core elites as those who are “in positions to make decisions [or refrain
from making decisions] having major [political, social and economic] consequences.”

As we can observe in the developing world, the core elite were concentrated in the
governing regime with counter-elites strategically placed within the state institution and
its supporting agencies. However, unlike Mill’s and Pareto’s perceptions of the outer
fringes which have no direct participation or influence on the decision making process,

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97 Mills, C. Wright. The Power Elite, (1959), pp. 3-4
this thesis proposes *counter-elites* who actively participate in the decision making process and do have some form of influence to a certain degree as long as it falls in line with the agenda of the *core elite* or do not challenge the survival or status quo of the regime.

This follows from Mills, who in a Weberian approach of power distribution within the political community, also argued for the existence of a core elite where power is concentrated composed of three elite groups: individuals that occupy ‘command’ positions i.e. the political (members of the political directorate), military (elite soldier-statesmen who surround the Joint Chiefs of Staff and the top echelon), and economic (corporate rich i.e. chief executives) elites. Mills argued that even though these three groups have formed a powerful but uneasy alliance, they understand the interdependence nature of the institutional orders and therefore not only share but pursue common goals. In a similar finding of the role that elites play in the political sphere, James Bill and Carl Leiden’s study of systems and processes in Middle East politics argued that though “societies are composed of an interrelated network of groups and classes, there is always one group of individuals who have a disproportionate amount of power and influence on decision making.” This group of powerful individuals, they argued, functions as the *core elite* who influences and shapes the political style and political system of a society. This resonates with Mosca’s idea of a closed and exclusive circle of a small ruling class behind the governing institution that wield true political power in the society. In an analogous analysis, Robert Presthus supports the existence of behind-the-scene individuals who act as

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actual power-holders and ‘influentials’ in the decision making process. Presthus’s concept of influentials claimed that they may, or may not directly involve themselves with the decision making process, however, they can employ “leg-men” within the decision-making circles as proxies and mouthpiece on their behalf. Presthus’ proposition therefore sees core elites existing either in or out of the public eyes, holding critical positions, working behind the scenes (though not necessarily a criteria), coordinating policies of public affairs and imposing their will on community affairs.

While scholars like Mills, Pareto, Mosca and Presthus argued for a hierarchical elite group, suggesting the existence of the core elite as a single body of influencers, others have argued that there are overlap groups of elites with equal influence on the political system. Elite theorists such as Robert Dahl, Suzanne Keller, Frank Tachau, and Karl Mannheim rejected the idea of a core elite group. Rather, they believed that the ruling elite was not a homogeneous and unified group but rather a compilation of straggling groups vying for power. They concluded that the existence of a core elite group was unattainable and unrealistic. This school of straggling elite groups saw various elites co-existing, sharing power, decision-making, responsibilities and rewards. Robert Dahl in his work Who Governs? a study of power structures in New Haven, Connecticut, insisted that his finding denoted democratic pluralism in the top one percent of policy/decision-makers (the power elite) which he argued indicated that in advanced democratic societies, political decisions are influenced by many elites and not limited to one selective group of elites. These theorists on pluralistic-elite draw attention to important points for the existence of multiple-egalitarian elite groups.

100 Tachau, F. Political Elites and Political Development in the Middle East, (Cambridge: Mass, 1975), pp.4-5
sharing power which shall be tested against the Palestinian Authority in the framework of a post-colonial state. Nevertheless, in the Palestinian case, the existence of equal plural elites presupposes an existing democratic political structure. Whether this is relevant to the Palestinian authority depends on how democratic the political structures prove to be. A pluralistic top echelon within the framework of democratic political structures can also negate the existence of a core-elite.

Nevertheless, many theorists who argued for the existence of a core elite found that in a pyramidal form of government, the core elite compose the apex of the pyramid that governs and rules society. However, in order for the elite structure to survive, it requires incoming people with new ideas in order to replenish and sustain it. The core elite therefore function as an entity that filters who can be admitted into its circles, but it is important to consider whether the new elites that are recruited to revitalise the elite group change its fundamental composition and objectives, of whether the core remain impervious and static. Hence, it is important to consider what types of individuals or groups are recruited into the elite circle, the recruitment process through which they are selected, and what functions they are allocated.

RECRUITMENT TO THE CORE ELITE STRUCTURE

Selective recruitment is an important component in maintaining the core elements of the elite structure and its survival. In order to understand how the core elite replenishes itself, and with what objectives, it is important to understand why, how and who are the elites recruited into the core. Theorists like Parry attribute the downfall or replacement of elites to two factors, structural and socio-psychological changes. Structural changes
in the society can bring about changes in the dominant minority of the society. On the other hand, socio-psychological changes displace the elite as a consequence of some changes in the elite’s attitude and abilities. While Karl Marx predicted the sure demise of elites with the onslaught of development, Mosca argued that elites are adaptable and flexible to a new environment and new pressures due to recruitment of new elites who are well versed in new developments. However, Mosca predicted an inevitable decline of the elites (ruling class) if they ceased to produce necessarily skills or resources which contributed to their rise to power. He argued that when elites can no longer render the social services which they once provided, their talents lose in importance and society no longer value those talents, or become stagnant and sterile in productivity and ideas, then the elite will inescapably decline in power and influence.

Mosca’s solution was to gradually incorporate (recruit/introduce) new elements of moral fibre and new blood. Moreover, Mosca argued, in order for elites to survive, they need to control the social forces—human activity with social significance—and adjust their policies to meet the demands of the new social forces. Consequently, the co-optation of new elites from the rising social forces and their being placed on the lower rung of the ruling class was an essential component of elite survival. Hence, the continuous internal replenishment through co-optation and policy change, sustains an overarching or core elite class.

Pareto equally proposes the necessity of elite recruitment as an element of elite survival where core elites would draw from leaders of the mass to generate a circulation of new blood and ideas into the ruling class. When elites fail to recruit or rejuvenate the old elite class from leaders of the masses, then the governing class will either collapse or be

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103 Mosca, G. The Ruling Class (1939), p. 65-66
overthrown.\textsuperscript{104} Pareto’s Machiavellian conviction about the circulation of elites and the relationship between the masses and the elite suggested a pyramidal relationship between the elite and the mass. He prescribed certain functions for each entity. Pareto ascribed current elites the apex (A). Elites (A), he found, were always challenged by strong upcoming leaders which he called (B). At the bottom of his pyramid he allocated the mass (C). B would rally the support of C in order to replace A. Once A is replaced by B, a new set of leaders (D) will emerge to challenge or replace (B) again using C. Consequently, C remained constant—with no mobility—acting as pawns to be manoeuvred for the gratification and successful bid for power by A and B.\textsuperscript{105} Pareto argued that those who were weak or refused to defend themselves would ultimately find themselves victims or pawns of those who are more superior in power, strength and intellect. This type of weak and pusillanimous individuals should not hold anyone responsible but themselves for their removal or gradual descent from office. “Any elite which is not prepared to join in battle to defend its position,” wrote Pareto, “is in full decadence, and all that is left to it is to give way to another elite having the virile quality it lacks.”\textsuperscript{106} If elites want to establish institutions or introduce sets of ideas and value system, they should possess the power to inflict them on those who do not desire them.\textsuperscript{107} Consequently, Pareto’s Machiavelian conception of power-structure and circulation of elites assigned particular functions to the elite and mass which led to the supposition that power (elite) can shift and change hand, and will only be attained, and sustained, by force.

\textsuperscript{104} Pareto, V. \textit{Sociological Writing}, (1966), p. 249
\textsuperscript{105} Pareto, V. \textit{Sociological Writing}, (1966), p. 135
\textsuperscript{106} Pareto, V. \textit{Sociological Writing}, (1966), p. 136
\textsuperscript{107} Pareto, V. \textit{Sociological Writing}, (1966), p. 136
Many contemporary authors on elites claim that elite recruitment in modern societies has become more open. Modern elite recruitment emphasises the diversity of recruitment where elites are chosen based on individual meritocracy and achievement allowing for elites to emerge from various social classes, and from all strata of society.\(^{108}\) Suzanne Keller’s strategic elites theory, like Tachau, argued that access to the elite class can be accomplished through individual motivation and capacity and is consequently open to all groups in society.\(^{109}\) An idea challenged by Allen Potter in his work *The American Governing Class*, in which he identifies the American governing class as comprised of the Preparatory school and Ivy League educated, upper social class of inherited wealth.\(^{110}\) Tom Bottomore’s study of French higher civil service recruits also found a significant percentage of imperative level positions occupied by members of the higher rung of society. Of the top level (*les grands corps de l’Etat*), Bottomore’s finding indicated that 84 percent of the state officials derived from the upper and upper middle class families while only less than 1 percent were from families of agricultural labourers or industrial workers.\(^{111}\) In elite recruitment, an individual’s social and economic background defined what positions they will hold in that political climate, and their susceptibility to be manoeuvred in order to advance or thwart a political agenda. As a result, counter-elites recruited to the core elites have to adapt to the political culture and behaviour of the core elites in order to survive. Goals and policy pursued by elites were seen by outside observers as harmonious (factual or imagined), thus the elite were perceived as a homogenous group.

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\(^{108}\) Tachau, F. *Political Elites and Political Development in the Middle East*, (1975), p. 4

\(^{109}\) Keller, S. *Beyond the Ruling Class: Strategic Elites in Modern Society*, (New York, 1963), p.57


\(^{111}\) Bottomore, T.B. *Elites and Society*. (1966), p. 87
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The pool where the elites are selected will in general share similar views, education and social background as the selectors.\(^\text{112}\) As Robert Putnam observed, “the narrower and more unified the selectorate that reviews the credentials of prospective recruits, the more likely those recruits are to share perspectives and loyalties with one another and with the selectorate.”\(^\text{113}\) Value consensus, according to Putnam is one of the most important and fundamental element of integrating elites. When the political elite are substantially integrated, then there will be an observable strong cohesiveness on the essential factors of the political formula.\(^\text{114}\) The grooming of the incoming elite therefore is to a large degree an assurance that the values, beliefs and morals of the core elites are maintained. Thus, it became essential that the old core elites protect their interest and power by limiting their selection of new elites to specific circles/groups, and strategically allocate the new recruits to preserve their status quo. Furthermore it was important that the old elites coerce the new elites to adopt their moral stance and values to maximize their survival. As such, the beliefs, morals, attitudes, behaviours of the old/core elites are maintained and continued because new elites are carefully chosen to resemble the ideals, ‘virtues’, values and beliefs of those whom they would replace or work alongside. The exclusive social-economic background of the core is conserved through new recruits—who not only adopt the ideas, practices and goals of the core elite but would ultimately be trained and primed to maintain the status quo, reputation, beliefs and exclusivity of the elite class. At the same time, they are encouraged to exhibit pertinent characteristics and skills which are valued in society and which the mass can ‘identify’ with and perceive as necessary for the progression of society. This ultimately legitimises the power and position held by the self-interested

\(^{114}\) Kim, C. Lim, and Patterson, Samuel C. "The Integration of Parliamentary Elites in Less Developed Countries," (1983), p. 222
core elite group. Consequently, the aim of the recruitment of new elites is to ensure the survival and impenetrability of the core elite from outside forces where the counter-elite (often the new elites) are strategically posted for the maximisation of political objectives and to appraise their commitment and capability. Consequently, the function of the counter-elite is to serve as a cushion between the mass and the core, and to guarantee the primacy and interest of the core elite.

This is a delicate balance to achieve. New elites are often viewed as innovators, risk takers, and self-motivators striving for change, ascent in status, and recognition. New recruits are required to possess the knowledge and skills that are valued by society and which will be fundamental to sustaining the group. On the other hand, as Mannheim noted, groups or individuals that have maintained wealth from what others have accomplished are less prone to yield to individuals who are open to new ideas and are prepared to take risks. Mannheim asserted that the self-help man often “develops a keenness” that is valued in society. However, if these “mental traits are discouraged or neutralized by over-assimilation, society loses resources for change and adaptation.”

Like Mannheim’s self-made men, the newly recruited elites bring with them certain enthusiasm, strength, characteristics, and political orientations that are valued by the society. As such, these idealistic new recruits become a commodity for the self-interested old elites. However, as observed by Mannheim, if these valued traits, which made the recruits distinctive, become less valuable inside the elite circle or are rejected by the core elites, it suggests an absorption or adaptation to the political culture or values of the core elite. Therefore, the solidarity or cohesion of the elites is

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fundamental for the survival of the core elite and is a process that is accomplished over a span of time through a period of further socialisation and political accommodation.\textsuperscript{116}

However when a new elite’s political orientation is incongruent with those of the core group, there is a propensity for tension and conflict. As Pareto recognised, elite circulation into the core elite is in a “state of continuous and slow transformation.” But if there is significant and sufficient incongruency between the new elites and the old, then violence between the two can break out.\textsuperscript{117} How old core elites absorb the new incoming elites into their own political culture is a matter of co-optation and possibly a venue for corruption. Pareto viewed elites as capable and skilled individuals who have reached this pinnacle in society through various means and therefore would do all that is necessary to secure that position, even becoming proficient agents of corruption. In a Machiavellian approach, Pareto argued that in the long run, those best equipped for government are the foxes, because they “are most adept in the art of undermining opponents by bribery and corruption and of regaining by fraud and deception what appeared to have been conceded under the threat of force.”\textsuperscript{118} They need dominant influence to balance and achieve goals and aims and only the foxes could provide such characteristics. The lions on the other hand were seen as too ‘noble’ and therefore ‘weak’ and consequently will not survive in the political realm. Those who were resistant to corruption or bribery survived in the political arena and maintained their membership only if they possessed indispensable skills or outstanding qualities. Personal gain and immediate gratification and interests procured precedence over the state or communal interest. Therefore short-term goals were often pursued over long-

\textsuperscript{116} Keller, S. Beyond the Ruling Class. (1963), p. 192
\textsuperscript{117} Pareto, V. Sociological Writing. (1966), p. 250
\textsuperscript{118} Pareto, V. Sociological Writing. (1966), p. 257
term oriented goals toward the improvement of the society. Furthermore, incumbency in high positions yield more rewards therefore competition is high and once such a post is secured, it will be difficult to rescind.\textsuperscript{119} Pareto identified and categorised different types of elites who claim such roles. He identified a Type A and B elite as those that exploited their official role and the effect on the government. Type A elite, he allocated to those who “aim resolutely at ideal ends, adopting and strictly following certain rules of conduct.”\textsuperscript{120} Type B elite on the other hand consisted of individuals whose aim is to “promote the well being of themselves, and their dependants or henchmen.” Pareto divided the two sets of elites into two categories with the first type (B-a) being those “who are content with the enjoyment of power and honours, leaving the material benefits to their associates.” This type of men and women are oftentimes considered as ‘honest’ by those “well disposed to the party, and are viewed with indifference in regard to honesty by its opponents.”\textsuperscript{121} The last of subtype B is B-b composed of those who seek “material benefits—generally money—both for themselves and for their adherents.” When these types of people are discovered, they are labelled as ‘dishonest’, but are ‘protected’ by fellow members or friends. However Pareto observed, the B-a subtype is considerably more costly to a country because their appearance of honesty allows them to use different forms of deception and cajole to turn over people’s property into the clutch of their political cohorts. Even though those categorised as B-a do not reap the benefits for themselves, however, they go to great lengths to ensure that their families and friends are enriched. As observed by Pareto, “the more—or less—honest the general population of a country, the more—or less—

\textsuperscript{119} Theobald, R. “So What Really Is the Problem about Corruption?” \textit{Third World Quarterly}, Vol. 20 no. 3, (June, 1999), p. 496
\textsuperscript{120} Pareto, V. \textit{Sociological Writing}, (1966), p. 271
\textsuperscript{121} Pareto, V. \textit{Sociological Writing}, (1966), p. 271
honest its government.”

Pareto’s idea of the circulation of elites indicated the inevitability of all foxes being overthrown by the lions, and all lions becoming foxes. Robert Michels perceived the same pattern in the corrosive effects of power within the socialist movement. He observed that the men who first joined the socialist movement were idealists who had a strong belief in the movement which was in contrast to their later counterparts who joined for power and personal gain. “The original movement, initially small and dedicated to the cause, attracts opportunists of every stripe as it expands and these extend their immoral influence at the expense of the original leaders.” This was also a prevalent phenomenon in colonial resistance movements, the established post-colonial states soon being governed by leaderships who had not themselves been involved in the initial anti-colonial struggles and consequently who lacked the associated legitimacy in the eyes of the populations. The new ruling leaderships therefore established new governing structures in which they institutionalised their political culture, values and behaviours.

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The colonial powers were eager to ‘create’ local leaderships – new core elites – to bridge and govern the increasingly fractured societies of states formed from conglomerates of different ethnicity and social groups as they themselves retreated.

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Creating political institutions that mirrored their own, they effectively installed new core elites which had within their capacity the mechanisms to manipulate power and resources. As seen in many countries under colonial rule, the regime would select “elites,” who were not often recognised by the mass as legitimate, to serve as their representatives. In a tribal or ethnically divided society, each district representative often sought the agenda of their tribe/ethnic group while ignoring the need of other groups within their constituencies. The colonial administrations encouraged rivalry and competition between groups, and both left intact patterns of traditional social organisations (i.e. British regime) or attacked the very core of the traditional social institution (i.e. French regime) which created a structural re-configuration of elite and ethnic groups in the society. As such, they created further disruption to the traditional social and political structure.

Pareto asserts that corruption was institutionalised by new core elites in post-colonial states, whoever they were, and used as an informal method to co-opt new recruits, exploit the masses and reign in dissident voices. Having been installed by colonial powers, they had little local legitimacy and needed alternative means of establishing their control. The incongruency between the political system instituted by the colonial regime and the traditional governing system established a weak state structure which enabled corruption to flourish in order for the merging political system to survive. Through the co-optational possibilities of corrupt behaviour, counter-elites who may originally have different views, or political orientation, were recruited and in a span of time came to adopt the ideals of the core elites. With the neutralisation of the qualities

125 Pareto, V. Sociological Writing, (1966), p. 163
first possessed by the new recruits and their assimilation into the political orientation of the core elite, constant elite replenish was possible.

One form of such behaviour was the maintenance of traditional patron-client relationships alongside formal political structures. Although the ruling elite can employ force or deception to appropriate other people’s goods and property to fill their coffers, they may simultaneously reward the loyal subjects within their network in such a Weberian patron-client relationship, especially where state structures are weak state structure. The argument against such rationality, particularly if the effect on the society and state is negative, is often moral laden. However, as argued Pareto, “neither patrons nor clients are fully aware that their conduct transgresses the moral norms prevailing in their society, and even when they are aware they readily find excuses either by arguing that, when all is said and done, other people would do just the same, or else by recourse to the convenient pretext that the end justifies the means—and for them there can be no more excellent end than maintaining themselves in power.”126 This sense of justification contributed to the endemic and permanent nature of patron-client relations in weak states.

One significant phenomenon which led to the disintegration of social structure in post-colonial states and the institutionalised use of corruption was the method of out-going colonial regimes selecting unrecognised ‘elites’ as leaders and representatives at the expense of traditional local elites. Each colonial regime had a particular system of stratification (tribe or ethnic) that left contrasting legacies.127 However, with each

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colonial administration, there was a general trend of selecting local “chiefs” (existing or newly created)—based on loyalties and accommodation disposition—over elites who had received formal Western education. Oftentimes many of these chosen leadership were not accepted as legitimate ‘leaders’ or representatives by the community at large. However, in time this makeshift leadership became the core elites. They therefore needed to co-opt and recruit traditional elites or legitimate elites in order to legitimise their position and to assure their survival against outside threat.

In Nigeria, Tom Bottomore found a prevalent number of Western-educated and self-made men who supplanted the old elite of the traditional ruling families. However, he observes an overlap between the new and old elites for the old elite families had the most means to supply their children with a Western education.128 Though kinship ties, wealth and professional skills were necessary ‘tools’ to be considered for the elite circle, however, education played a significant role in the developing world. Education was viewed as the primary entrance prerequisite into the top echelon/elite group in post-colonial states such as the West Indies, Senegal, Nigeria, India, and the Gold Coast among others.129 Western education was a symbol of elite status reserved for those who could be the heir of colonial power. As such Western educated elites were a substantial emerging leadership that increasingly challenged the colonial regime’s legitimacy, due to their contact and familiarity with the Western world and ideology. Consequently, they became a threat to the power and authority of the colonial administrations. Therefore the colonial regime used the local chiefs, who were either chosen by the colonial powers themselves to head the new nation-states or were the traditional elites, to compete with and control the Western-educated elite, ultimately

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129 Keller, S. *Beyond the Ruling Class*. (1963), p. 121
fragmenting society and suppressing any movement towards the consolidation of power within the state apparatus.

The elites in the newly emergent nation-states who had been educated in the West (often in Europe and the United States) adopted some Western perspectives and were willing to participate in the political system established by the colonial power, which they believed would lead to a modern political, economic and social society in comparison to their existing political system—viewed as a traditional ‘political system’ (based on patron-client relations). But such Western educated elites were criticised and resented by their local counterparts, for embracing the imported culture “in dress, in recreations, in tastes in food and drink, and, much more importantly, in their attitude toward what is valuable in life.” As Keller observed, Western educated elites would meanwhile “often disagree violently with older, traditional elites about the process of industrialization, strong central government, the development of science, and universal education” because they perceived the Western political system, culture, ideal and progress as a way forward to development. In contrast, the traditional elites saw it as a disruption to the social fabric of society.

Because of their beliefs and role in challenging the colonial regime and traditional leadership in power, espousing Western ideals and values of democracy, political participation, and modernisation, and promoting social and political structural change, these educated Westernised elite (inclusive also of those that embraced the same ideals though not educated in the West) shall be identified here as counter-elites. In their

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132 Keller, S. Beyond the Ruling Class, (1963), p. 121
search for ‘modernisation’, the counter-elites became political threats (imagined or real)—and a point of insecurity—for local appointed chiefs and the colonial administrations—over power and social control. The conflict between the traditional elite and the counter-elites brought about a re-evaluation and re-conceptualisation of the social and power structure with an increasingly political conscious elite. Migdal in his study of colonial regimes and elites in the developing world found Western-educated elites to be a threat to the colonial regime, while Walter Rosenbaum on the other hand perceived counter-elites as recruitable material for the colonial administration. Migdal and Rosenbaum both touched on the roles of counter-elites in the colonial state-formation years in that, although they were often exploited by the colonial regime to sustain their authority, the counter-elites also took advantage of their new position in the administrations to expand their own political power. The outcome of this political game of manipulation was, as both Rosenbaum and Migdal concluded, that counter-elites, whether co-opted into the newly created state or excluded from its organizing process, became the spearhead of insurrection against the colonial regime. The colonial regime’s policy of excluding counter-elites from the political process became counterproductive for it eventually paved the way towards contest between newly arising counter-elites and appointed elites/local chiefs for power and social control.

The legacy of colonisation was therefore a set of states with not only weak institutions but also hybrid political cultures, represented by political elites which included traditional and modern, indigenous and counter-elites who were themselves a result of the social fragmentation wrought by colonial power. The intersection of these elite

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political cultures within the state itself, was visible in an ‘adopted’ political and bureaucratic system infused with traditional cultural traditions creating not necessarily a comprehensive but rather a ‘culturally normalised’ system relevant to the societal composition. Practices that did not fall in line with the conceptions of democratic principles supposedly embodied in the new state apparatus were more in accordance with traditional customs served as an emollient for the conflicting governing systems. As Staffan Lindberg’s study of post-colonial states in Africa illustrated, when a new state structure could not perform its formal duties, it used the informal “patronage, corruption, tribute-taking and coercive extraction of resources” as a means to achieve its goals and duties. Although Lindberg’s research was based on African post-colonial states, the incompetent and incompatible pattern of governance and spoliation is one of the identifiable features associated with post-colonial state experience.

In post-colonial states, ultimate authority came to rest with the elite group—or military group—that took over from the colonial administration. They adopted and maintained behaviours and activities found in the colonial political system (which lacked legitimacy and was constantly weak and institutionally unembedded) as well as the customs of their traditional governing structures (from which they could extract social legitimacy and which offered normative codes for patron-client relations). As a result of the incongruency between the two governing systems various methods of informal practices perceived as corruption were employed and sustained to stabilise the new political situation, to ameliorate the often fragmented social structure and to recruit and ‘convert’ new elite recruits.

THE CONCEPT OF POLITICAL CULTURE

The term political culture itself needs a little unravelling. The value system and norms of behaviour in society are understood as a by-product of culture. The 19th century anthropologist Edward B. Tylor argued that culture is a “complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society.” If culture is a composition of the values, behaviours, morals, law, etc. then political culture is thus a reflection of those complex orientations towards the political process. The study of political culture begins with the axiom “political behaviour is learned behaviour.” Gabriel Almond and Sidney Verba’s ground breaking work, Civic Culture, offers the following definition of political culture as: “political orientations—attitudes toward the political system and its various parts, and attitudes toward the role of the self in the system.” It is a definition that asserts an awareness of the role of the individual in the political system. Lucian Pye developed Almond and Verba’s definition to assert that political culture is not only concerned with attitudes, it also focuses on “the sum of the fundamental values, sentiments and knowledge [which] give form and substance to political process.” Political culture can thus be considered a reflection of the complex whole towards the political process. However, fundamental to the study of political culture are the actors who not only espouse it but act according to the political culture in the political sphere. As Harold D. Lasswell observed in the opening of his World Politics and Personal Insecurity, “Political analysis is the study of changes in the shape and

135 Tylor, E. B. Primitive Culture (1871), (New York, 1920), p. 1
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composition of the value patterns of society.”

To study political culture hence is to “hold up a mirror to ourselves for we (individually and collectively) are the carriers of the culture, who not only observe it in others but also express it in our own behaviour.” Therefore, this thesis defines political culture as a composition of the values, behaviours, morals, and law of a society—particularly its elites—which are adopted by the masses and which are reflected in the political system. Understanding the concept of political culture can facilitate in providing insight not only as to the reason underlying the general ‘acceptance’ of the behaviour of governing elites within a particular system but also as to why that political system functions in a particular way.

Almond and Verba’s five-country study (America, Britain, Germany, Italy and Mexico) attempted to understand the role of political culture within each society in relation to individuals’ political orientations. As such, three distinct classifications of political cultures were identified which they observed existed within societies: Parochial, Subject and Participant political cultures. Almond and Verba first introduced the Parochial political culture associated with African tribal societies and autonomous local communities. They maintained that these societies do not have specialized political roles but rather fused political, economic and religious roles in the form of headmanship, chieftainship, and ‘shamanship’, among other functions. The lack of distinction between the various roles and responsibilities, therefore, excluded challenges to the political system. The deep-rooted traditional orientation in this political culture renders it particularly resistant to change and entrenched practices are

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139 Lasswell, Harold D. World Politics and Personal Insecurity, (1935), p. 8
thus difficult to discard. Hence, Almond and Verba’s *Parochial* societies can be compared to an infantile state of political development where mass participation is near absent and subject to the discretion of the leadership as head of the ‘familial’ societal unit.

Almond and Verba’s second classification is their *Subject* political culture where individuals (mass) are “aware of specialized governmental authority,” and are “affectively” oriented to the political, which they may or may not like, and which provides them with the ability to assess the legitimacy (or lack thereof) of their government. Individuals in this type of political culture exhibit a re-active rather than pro-active attitude, having no effective contribution to policy input and outputs. It is in essence a passive relationship where a “limited form of competence” is demonstrated. In all events, it could be deduced that individuals within this form of political culture, which is non-participatory, are “actively” aware of the political system but “choose” not to be politically active.

Lastly, Almond and Verba introduced the *Participant* political culture, identified with democratic forms of government where members of society were “explicitly oriented,” involved and aware of every aspect of the political system, both administrative and political. *Participant* societies tend to be more pro-active, freely expressing their views and opinions towards policy inputs, outputs and any form of political issues. This type of political atmosphere encourages individualism in the context of actively evaluating and rejecting or accepting any issues seen (in)appropriate or (un)desirable.

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FUSION AND (IN)CONGRUENCY OF POLITICAL CULTURES

Although Almond and Verba classify political culture in a manner which leads one to believe it is straightforward and easily compartmentalised, in practice political cultures are not often pure and static but rather are fused, integrated, and fluid. The fusion of political cultures in the developing world was attributed to colonial experience, imported political ideas and values combined with the traditional political culture inherent in the society. As such, a Subject political culture could be fused with a Participant orientation changing the nature of their former characteristics. Consequently, earlier mass orientation had to adapt, accommodate, and incorporate the “new” orientations. In circumstances in which two competing political cultures exist within a single political system, the dominant political culture absorbs or incorporates the weaker political culture(s) but where norms and values directly clash such fused political cultures are bound to produce “inevitable strains between culture and structure, and a characteristic tendency toward structural instability.”

Inevitably, the fusional or resistant nature of political cultures will determine the stability and legitimacy of the political system. If the merging is successful, the political system changes in order to accommodate the newly-acquired or fused political orientations. If the political culture is congruent with the structures of the political system, it produces high and positive levels of orientation by its constituents. Furthermore, it allows for an efficient transaction where policy input and output are participatory. However, if the differing political cultures are resistant to fusing, it produces incongruity between the structure of the political system and the new ‘specialised’ orientations resulting in tension and conflict. How far these can tensions can be resolved depends in large part

on how far core elites can co-opt new elite recruits who bring with them alternative political cultures and infuse them with their own political culture, such that it is then diffused to the wider population through the structures and institutions of the state and its socialisation processes.

**POLITICAL CULTURE AND SOCIALISATION**

Developing states might be thought to share common political cultures that differ from those in the Developed World where they have shared similar patterns of political undertakings (i.e. colonialism and the post-colonial experience). Nonetheless, Larry Diamond asserts in his study of political cultures in developing countries that “countries do differ significantly in their patterns of politically relevant beliefs, values, and attitudes, and [that] within countries these elements of the political are clearly shaped by life experiences, education, and social class.”

The life-long process of political socialisation is credited with ameliorating cultural, ethnic, social, economic and political discrepancies within society. While societies include diverse social, class, ethnic and other groups, the image of a singular body of political ‘citizenship’ emerges based on the norms through which all citizens are socialised by the institutions of statehood (such as education systems). Such a state-fostered socialisation process is the design of elites. As observes Mosca, a system of ideas can only take effect in the political realm if it obtains “a strong hold on the minds of at least a majority in the ruling class.”

That is not to assert a complete instrumentalism: values within a culture develop over time and become deep-rooted in the society thus becoming resistant to significant change. As such, change in political culture can occur after

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144 Diamonds, L. *Political Culture and Democracy in Developing Countries.* (London, 1993), p. 1

145 Mosca, G. *The Ruling Class* (1939), p. 464
cultural change, and cultural change, argues Woshinsky, occurs at a gruelling pace.\textsuperscript{146} Values therefore maintain traditional political patterns and evolve to incorporate and maintain the psychological and philosophical perspective of the society.\textsuperscript{147} Political culture consequently can and must be the result of years of political socialisation.

Walter A. Rosenbaum’s understanding of the influencing mechanism of political socialisation, to sustain a political culture, categorised political culture into an \textit{individual} and a \textit{collective} analysis. On the \textit{individual} level, political culture is principally a psychological focus on the individual. The \textit{collective} analysis, on the other hand, is a “system level” approach where the mass evaluate their political institutions and officials.\textsuperscript{148} Rosenbaum argued that by and large people within the political system have similar or compatible political culture orientations, which are in accordance to the political institutions within which they live.\textsuperscript{149} The socialisation process therefore encourages the ‘sanctioning’ or ‘rejection’ of a certain political culture, sustaining certain values and functions of the institution in a top-down approach—top-down in this configuration refers to mass adoption of elite values and norms. Most scholars agree then that it is elite values—and not the values of the mass—that define the political culture.\textsuperscript{150} Hence, the values and norms—signifying elite political culture—become normalised and a measurement for modes of conduct in the political realm. Therefore, in examining the nature of political culture, it is the ‘elites’, particularly the \textit{core elites}, who are the holders, enforcers, and proprietors of

\begin{itemize}
\item \textsuperscript{146} Woshinsky, Oliver H. \textit{Culture and Politics: An Introduction to Mass and Elite Political Behavior}, (Englewood Cliffs, 1995), p. 41
\item \textsuperscript{147} Woshinsky, Oliver H. \textit{Culture and Politics}, (1995), pp. 78-79
\item \textsuperscript{148} Rosenbaum, W. \textit{Political Culture}, (London, 1975), p. 4
\item \textsuperscript{149} Rosenbaum, W. \textit{Political Culture}, (1975), p. 4
\item \textsuperscript{150} Gibson, J. L., and Anderson, A.J. “The political implications of elite and mass tolerance,” \textit{Political Behavior} 7, no. 2 (1985), p. 137
\end{itemize}
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the political culture and can influence the function and the type of political system that survives in each society and to whom we must turn our attention.

Overall, state structures act according to the political culture which dominates the political system. If the structure of the ‘old’ political system is not able to adapt or adjust to the new changes, then the new ‘specialised’ political culture will either eliminate or absorb the old political system consequently displacing certain groups and creating a new ‘status quo’. The marginalisation and inclusion of groups also determines the distribution of power and allocation of resource. Therefore a group most favoured by the system has greater access to resources and the power source. However, marginalised groups and those least favoured by the political system have few, or no, channel of access to resources and decision makers and will feel the most impact of the discrepancy in the system. Subsequently, this sense of power, or powerlessness, in an incongruous system can affect the participatory or non-participatory nature of groups and individuals within their political system. Those with access to power can often be found in decision making and political active positions whereas those who feel a sense of despondency and disillusionment refrain from participating. Pessimism towards reform in the system and the improbability of being included are frequently cited as reasons for political abstention. When the margin of disparity between the mass and the elite is considerable, then society is particularly resistant to an imposed political culture from above, therefore methods of ‘persuasion’ are taken by the regime in power to enforce embracement of the political culture. As observed in post-colonial states, this is achieved through various forms of corruption and/or intimidation. These means of ‘persuasion’ whether through soft-power with promises of economic gain or hard-
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Power through harassment and imprisonment can have latitude of success in societies with a weak state.\textsuperscript{151}

CONCLUDING REMARKS

As theories and examples have sought to demonstrate, the existence of corruption in political systems is not confined to the developing world. However, the extent of corruption and the influence which it exerts on political and economic development is more significant than in the developed world. The political structure and regimes that emerged in post-colonial states attest to a system which is a product of incongruent political orientations. The post-colonial state encompassed an entrenched patriarchal system with patron-client relations though functions in a modern bureaucratic system, defined as neo-patrimonialism. This was the result of a process of transition from a traditional to a modern bureaucratic system which due to the incongruency of the two governing system, a neo-patrimonial governing system and regimes emerged which fused and harmonised the two system. As a result, post-colonial states sustained certain practices during its state-building formative years which incorporated corruption as a means to harmonise the vying system and elites. This perception adheres to the argument that corruption occurs in the stages of development. Far from being simply a “stage” through which political systems must pass en route to developed status, corruption can become endemic to a political system. This is particularly true of post-colonial states, whose historical experiences and process of political transition have left them with weak state structures and institutions. Weak states have little legitimacy in

themselves, and the grasp of officials on power is tenuous, encouraging an engagement in the politics of survival.

The practice of corruption is exacerbated by social structures which were fragmented by the colonial experience and offer no social forces which in themselves can unify the citizenship around shared objectives or identities. In order to retain power, state officials rely not on their formal positions (which offer no real power or legitimacy) but instead on their extended family, tribe or ethnic group structures for support and legitimacy. In return they must themselves behave in ways which endorse and promote the interests of these structures. They therefore behave in ways which enable them to accrue personal wealth (security for the future), and wealth and status for members of their group. By utilising informal networks and channels in this way, and by blurring their official and unofficial characters and responsibilities, they behave in ways which are identified as corrupt.

In order to study this corruption, the researcher must identify the core elite of officials, as well as other sublimative elites or would-be core elite recruits. The political culture of such elites must be understood – that is the norms and values for political behaviour which they espouse, which they seek to reproduce through recruitment into their circle, and which they then pass down to the masses through the processes of political socialisation. This culture legitimises their behaviour and accustomises the masses to think it ‘normal’—however it does not denote an acceptance or alter perception of the practice as being corrupt. However, the possibility of multiple elite political cultures must be considered, since the colonisation and de-colonisation processes (or those of
developing countries historical and specific experiences in general), and accompanying social fragmentation, led to contradictory elite political cultures, within and outside of state structures and institutions. How these political cultures have fused, or proved incongruous, and what impact they have can help us understand the normative and cultural context within which corruption becomes more or less endemic.

As such, Chapter Two will look at elite formation in the Palestinian territories and the political culture they came to espouse during each epoch of their history. The chapter will analyse the elite’s formative years from Ottoman period to the Intifada and the historical events that shaped their perceptions and their political and social ideology.
CHAPTER II:

PALESTINIAN ELITE FORMATION AND DIVERGENT POLITICAL CULTURES

INTRODUCTION

Identifying Palestinian political elites can be a complex task because what can be identified as Palestinian ‘elites’ in Western eyes may not be viewed as such within the Palestinian community. In order to locate the true elites within the society and the political culture they have come to enact, one needs to understand and assess the formative years of the Palestinian elites through their historical, social and political experiences. The period from the fall of the Ottoman Empire in 1914, the European encroachment and rule, until the late 1950s laid the basic framework for the political structure, the function of its elites, and the unsolved religious, ethnic, political and territorial problems of Middle East states. This chapter will set out the various stages of elite formation in (and outside) the Palestinian Territories based on an historical analysis from the Ottoman Empire until the Oslo Accords. It will provide an examination of the elites’ formative years and the development of contrasting political cultures: the ‘Outside’ informal (neo-patrimonial) political culture and the ‘Inside’ nascent democratic political culture. It will demonstrate how these varying political cultures came to play a significant role in the formation and early functioning of the Palestinian Authority. This chapter will first assess the Ottoman and Mandate periods

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and the early Palestinian elite formation which displayed what we can term a patrimonial political culture. Second, it will examine the period of 1948 until the 1967 war during which time the Palestinian population was fragmented into differential experiences. By looking at the PLO as an Outside influence in the resistance movement, we can identify the emergence of a diaspora elite with a neo-patrimonial political culture. Alternatively, assessing the experiences of the Palestinians who remained in the Occupied Palestinian Territories (OPT) under Israeli occupation up until the 1988 Intifada and the resistance movement inside the OPT until the development of the Palestinian Authority we can identify an alternative elite with a nascent democratic political culture. Thus the varying experiences of these elites accounts for the evolution of two distinct political cultures, one neo-patrimonial and one nascently democratic, the struggle between them later coming to characterise the Palestinian Authority.

ELITES DURING THE OTTOMAN AND BRITISH MANDATORY ERAS

During the era of Ottoman rule, Palestinian society was undeveloped and traditional. The majority of Palestinians lived pastoral lives in rural areas, engaged in subsistence agriculture. Although the Ottoman Empire had ruled the Levant region since the 16th century, it was not until the introduction of the 1858 Land Code and Registration Act, and the Vilayets Law of 1864, that Palestine experienced an emerging distinctive class system based on landownership and ascension to senior administrative position in the Porte (the Ottoman administration in Istanbul). The Land Code required land owners to register their lands, providing the Empire with the opportunity to increase tax

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revenues and conscription. Peasants sought to register the land in the name of local leading families to evade conscription of their own sons, but as a consequence, the Land Code produced a powerful class of (absentee) landlords, a minority group who lived increasingly in urban areas but who owned the majority of the lands in rural areas.\textsuperscript{154} These traditional notable elites included prominent local figures who acted as intermediaries between the Porte and the local community.\textsuperscript{155} This notable class became a powerful political and economic class acquiring ever more wealth and power and ultimately becoming the local governing class, or \textit{effendi}\textsuperscript{156} as they were recruited by the Ottoman Empire to serve as local proxy rulers. Some were given custodianship over state lands, or were endowed with lands as rewards for services rendered. As such, the proxy rulers’ ultimate loyalty was to the Administration in Istanbul. The privatisation of state lands, particularly with the 1861 \textit{tabu} land registration law, gave foreigners the opportunity to own properties in the Ottoman territory where Christians and Jews took advantage of this opportunity. Moreover, cash-crops and tax revenues from land-ownership were becoming profitable for the Porte.\textsuperscript{157} However, the Porte intention among other things to enable peasants to purchase land gave big landowners the opportunity to take advantage of the various loopholes within the law. With corrupt local administration, heavy taxation, rising debt, and intimidation by landowners, peasants and small and medium landowners were often impelled to sign over or register their land under the name of either notable elites or their dead relatives—where big landowners were able to secure under their ownership.\textsuperscript{158} The shift from subsistence farming to cash-crop produced a new basis for social stratification where peasants were

\begin{footnotesize}
\begin{enumerate}
\item[154] Khatib, G. \textit{Palestinian Politics and the Middle East Peace Process}, (Oxon, 2010), p. 25
\item[155] Robinson, G. \textit{Building a Palestinian State: The Incomplete Revolution}, (Bloomington, 1997), p. 1
\end{enumerate}
\end{footnotesize}
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subjected to the demands of the central government, the big landowners, and the volatile world market. The peasants who lost their rights to the land were reduced to the status of mere landless tenant farmers and sharecroppers, and landless wage labourers.

The rise of Turkish nationalism at the end of the nineteenth century threatened to alienate Arab partners from their Turkish rulers. Concurrently, Arab feeling towards a common Muslim identity within the Ottoman Empire began to dissipate while Arab nationalism emerged—replacing a collective Muslim identity—with a vision of pan-Arabism, Arab identity, and greater rights and political independence for Arabs. However, the sentiment was arguably mainly confined to the top of the Arab, largely urban, echelon and did not develop into a shared Arab identity approach until World War I. Until this point, cohesiveness of the notable elites as a political entity was hindered by their traditional tribal rivalries.

World War I saw the Ottoman Empire allying itself with Germany, only to see post-war victors carve the empire into League of Nations-endorsed mandates. The Western allies’ promises of a unified independent Arab state were replaced by British and French occupation. Consequently, the British came to govern the areas that would be divided into Iraq, Transjordan, and Palestine. From the implementation of the British

159 Barakat, H. The Arab World: Society, Culture and State, (Berkeley, 1993), p. 57
Mandate, land settlement policy was one of its priorities, paving a way for Jewish settlement in Palestine.\textsuperscript{166} Policies implemented emphasised the necessity to allocate lands, whether state ‘owned’ or unused lands, to accommodate the Jewish settlement policy. \textsuperscript{167} Land/property ownership was a frequently debated issue particularly concerning lands held by absentee landlords and land that were not in use by the landlords, which were subject to confiscation and land-transfer, eventually becoming one of the major issues of conflict and loss of power for the Palestinian notable elites.

As with the Ottoman Empire’s policy that gave rise to the notables’ power by simultaneously supporting the notables and encouraging intra-rivalry, the British mandate policy aimed to maintain this elite power-dynamic and relationship.\textsuperscript{168} As with any colonial power, government institutions set up in colonies were often used for the colonial regime’s own purpose—whether for power, resources etc.—which not only neglected to take into consideration the local population’s needs but played upon local notable or group rivalry for greater control. In the case of Palestine, the British regime sought to control Palestinian society through the distribution of posts, resources and privileges among the notable families.\textsuperscript{169} The policy and pattern of resource distribution, and political positions vis-à-vis the British regime and Zionist settlement in Palestine prompted internecine feuding between interest groups and notable elites, which intensified in the 1920s. In particular the internecine factor soon fuelled a division into two rival clan groups, the al-Husseini and the al-Nashashibi camp, each

\begin{thebibliography}{9}
\bibitem{168} Robinson, G. \textit{Building a Palestinian State}, (1997), p. 5
\bibitem{169} Robinson, G. \textit{Building a Palestinian State}, (1997), p. 5
\end{thebibliography}
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fighting for Arab political primacy in Palestine.170 The British initially allocated resources and positions equally to both tribes but came to favour the al-Nashashibi tribe due to the anti-colonial and anti-Zionist position that the al-Husseinis came to harbour. The al-Husseini’s rural-based Arab Party—consisting of land-owning families and rural muktars (head of local government in towns or villages)—adopted a hard-line stance against the British regime and the Jewish yishuv (community) and encouraged ties with Arab nationalist movements, while the al-Nashashibi’s urban-based Defence Party—composed of prominent urban families—was more moderate and promoted compromise with the British regime.171

Dissatisfaction with the political situation, lack of national independence from the colonial regime (also seen with their Arab counterparts i.e. in Egypt, Syria, and Iraq), confiscation of land for Zionist settlers, economic downturn, and fear of increasing Jewish settlement at the expense of the Arabs generated general strikes which soon erupted into an Arab revolt in 1936 lasting until 1939.172 During the Arab-revolt the Palestinian notables set aside their differences in order to ‘jump on the band-wagon’ and take credit for the revolt. In April 1936 they formed the Arab Higher Committee (AHC) and ‘contributed’ to the Arab-revolt by organising a six-month commercial strike. The founding members of the AHC included thirty-two men, of whom 87.5 percent (twenty-eight members) belonged to the upper stratum of society. The remaining 12.5 percent belonged to the bourgeoisie, with no representations from the lower stratum of society.173 In addition, the majority of the AHC were from wealthy

agricultural families, who lived in urban areas as “absentee landlords, as professionals of one sort or another, as merchants, or by choice.”\textsuperscript{174} Not only were they not concerned with the welfare of the general population but they were in principle physically and emotionally unattached to the land or the difficulties faced by the peasantry and working classes. Land for them was leverage to political power and wealth. Power and wealth were neither filtered down nor accessible to the mass. As Taysir Nashif commented, “Political power was largely concentrated at the upper tip of the socioeconomic pyramid composed of a small group of heads of old and influential clans, other members of the landowning aristocracy, wealthy merchants and traders, and some professionals.”\textsuperscript{175} Peasants and rural dwellers’ interaction with the ruling regime or proxies was often limited to the appropriation of taxes; therefore the seat of power was a distant and a foreign entity without any real association. The same sentiment of detachment was applied to those in power vis-à-vis the mass. The mass did not present a threat to their power nor were the power-holders concerned with the activities or needs of the mass except that they pay their due. Even with the ‘unification’ and concentration of power at the top, inner rivalries between elites persisted and intensified. As a result of the internal fragmentation, lack of cohesive and inclusive measures for both the mass and the notable elite, a distinctive division began to occur between those who sought to gain power through nationalistic rhetoric and those who desired to maintain the political and social status quo.\textsuperscript{176} The British regime was able to use this cleavage to manipulate the notable elites where the al-Nashashibi tribe became an instrumental ally and asset to the regime during the Arab revolt.\textsuperscript{177} The al-

\textsuperscript{174} Nashif, T. "Palestinian Arab and Jewish Leadership in the Mandate Period," (Summer 1977), p. 115
\textsuperscript{175} Nashif, T. "Palestinian Arab and Jewish Leadership in the Mandate Period," (Summer 1977), p. 114
\textsuperscript{176} Robinson, G. \textit{Building a Palestinian State}, (1997), p. 2
\textsuperscript{177} Robinson, G. \textit{Building a Palestinian State}, (1997), p. 6
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Husseinis on the other hand chose to join the militants in retaliation against colonial regime domination, the suppression of Palestinian rights, and Zionist penetration.\(^{178}\)

Although the political agendas of the al-Husseinis and al-Nashashibis were at odds, both believed in the natural order of an overall notable hegemony. They wanted to assure that the social status quo remained intact and their power over society unchallenged. As Glenn E. Robinson argues, this was “truly an intraelite conflict, not a struggle between socially distinctive rival groups or classes.”\(^{179}\) The two notable groups were arguably two sides of the same coin. As leading families in the Palestinian milieu, they inhibited the development of alternative Palestinian leaderships. The only group that seemed to emerge with a legitimate ideology and leadership quality was the Istiqlal Party. Due to the party’s isolated location in Gaza, it was more nationalistic and militant in nature. It sought for “independence from Britain, for an end to Zionist settlement, for pan-Arabism, and for greater democratization within Palestinian politics.”\(^{180}\) The membership of the party was sons of notables, intelligentsias, technocrats, bureaucrats and non-notable professionals. They expressed violent rhetoric against the politics of Palestinian notables, although many of them were also from notable families. The rivalry between notables was argued by Robinson to be the stumbling block to the Palestinian quest for independence from Britain and resisting Zionist encroachment. It diverted and nullified collective resistance. Moreover, the non-cohesive nature of the society, with its various interests and class distinctions, contributed to the Arab revolt’s “unsystematic, undisciplined, and unstable insurgency”

\(^{180}\) Robinson, G. Building a Palestinian State, (1997), p. 8
resulting in chaotic gaffes. In effect, the elite rivalry and dysfunction sabotaged their own revolt.

British colonisation played an important role in the Palestinian elite formation, societal fragmentation, and intra-notable rivalry. Like other colonial regimes, the British used their authority to distribute posts in the Administration to consolidate Palestinian political elites’ power over Palestinian society. But uniquely, the British also undermined this consolidation of power by sponsoring Zionist competitors to the very base of Palestinian notable power—the ownership of land. Moreover, the British developed a communication infrastructure, and invested (minimally) in education, which encouraged the spread of new political ideas more broadly among Palestinians; yet at the same time, their act of conferring power on the notable families enabled notable elites to maintain the traditional political culture. The colonial political orientation towards acquiescence in exchange for survival and political, social and economic gain came to be adopted, adapted and reproduced by the notable elites towards rivals and the masses. This political orientation of the elites was essentially patrimonial in nature. The traditional patriarchal structure of governance and authority became apparent in the function and operation of the formal governing institutions. The formal governing system was essentially a patrimonial system and an extension of the patriarchal system, which thereby incorporated, consolidated and legitimised informal relationships in the formal system.

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PALESTINIAN ELITES 1948—1967

In the wake of World War II, on the 29th of November 1947, the United Nations General Assembly proposed and approved a UN Partition Plan (UN Resolution 181) which would divide greater Palestine into an Independent Arab and Jewish State, with a Special International Regime (Corpus Separatum) for the City of Jerusalem. The plan would provide the Arabs (who composed approximately 66 percent of the population) with 42 percent of the territory; and the Jews, with a population (escalated by the number of escapees from the holocaust and its aftermath) of 34 percent, with 56 percent of the land.

The partition plan angered Palestinians, who argued that it would not only dismember their home, severing them from their lands, but it would also nullify Arab aspiration for self-determination. They believed it an injustice to ignore the rights of the majority over the minority; however the political environment and state of affairs in Europe influenced the decision making process. The expedited departure of the British colonial regime on 14 May 1948 created a climate of unrest culminating in the 1948/49 Arab-Israeli War. Palestinians (with the help of Arab neighbours) sought to wrestle land from the Israelis; however the military prowess of Israel outstripped the Arab forces,

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182 The UN Resolution 181 received 33 votes in favour, 13 against, 10 in abstention, and 1 absent.
183 Refer to United Nations General Assembly: Resolution 181, (29 Nov., 1947)
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and in the process dispossessed approximately 750,000 Palestinians, in what is known as al-Nakba (the cataclysm) mass exodus. A new State of Israel was thus proclaimed on 78 percent of historic Palestine, finalising the partition of Palestine. A new political reality was now established on the ground which came to significantly influence the future power structure of Palestinian elite formation.

In a unique colonial experience, the “settlers” (Jewish immigrants) had taken over political power rather than local elites seizing power and creating a post-colonial state structure of their own. This dispossession of the Palestinian elites contributed to a still more fragmented society and a disruption to the power dynamic of a land-based elite structure. The establishment of the State of Israel as a national entity on Arab territories, resulting in their loss of lands, challenged Arab consciousness and Arab perceptions of themselves vis-à-vis the land.

The forced dispersion of the pre-1948 Palestinian leaders, many of whom were now refugees in exile, led to a state of political stagnation in Palestinian discourse. The period following the 1948 Arab-Israeli War was associated with the breakdown of Palestinian cohesiveness and a lack of collective consciousness as a single people. The wake of the war saw the emergence of separate Palestinian identities in accordance with their experiences of living either in refugee camps, or under different authoritarian Arab regimes, or as Palestinians in Israel. As Don Peretz observed, the defeat of the

186 The flight, or mass exodus, of the Palestinians was partly through expulsion, intimidation, ‘encouraged’ and voluntary. It was with the assumption that they will return to their lands and properties once the chaos and fighting subsided. Some Palestinians fled to other part of Palestine while others escaped abroad to Syria, Lebanon, Jordan, Egypt, Saudi Arabia and so forth.
187 Khalidi, R. Resurrecting Empire: Western Footprints and America's Perilous Path in the Middle East. (London, 2004), p. 126
188 The Labour Committee of the Coalition Against Israeli Apartheid. Labour for Palestine, (Canada, 2008), p. 10
war silenced the discussion of Palestinians as one unified society and replaced it with the image of a dispersed refugee group. The collapse of an albeit weak Palestinian national movement, impelled many Palestinians to adopt other ideological discourses such as President Gamal Abdel Nasser’s pan-Arabism or Communism. Nevertheless this did not signify an abandonment of a Palestinian national aspiration and identity. Rather, it led to its ‘reconstruction’. Palestinians reconstructed a political schema that was unique to the situation of their mass dispersal and co-existence with Israel.

Palestinian national consciousness as a single people based on a collective identity with the state did not fully develop in Palestine and expand on a societal level until the aftermath of the 1948 Arab-Israeli War. Prior to this, loyalty was towards an individual’s tribe, landlord or village and not towards the state; and given the lack of genuinely cohesive interaction between the rural and the urban populations, it is fair to claim that there was no genuine developed Palestinian consciousness. There had been no identification with the (British) rulers or with their fellow Palestinians as one entity: the remote and distant physical location of the rural dwellers from, and their lack of interaction with, the city and the ruling administration had prevented such a single consciousness from emerging. In contrast urban dwellers (middle classes and notable elites) faced daily reminders of the presence of the foreign regime therefore the rhetoric of national aspiration was much more pronounced. However, the 1948 war and the establishment of Israel brought about a collective political consciousness regarding the significance, and loss, of Palestine.

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The post-1948 period therefore marked the emergence of new elites in the Palestinian Territories, and in the diaspora, that were not based on traditional patronage exercised by landed aristocracy but rather founded on resistance to the occupation. The land-owning notable elites had been weakened by their loss of land and their political failures to prevent the establishment of the state of Israel. But a new class of nationalist elite was emerging, including middle classes who had been educated through the Mandatory educational system, and who reflected the broader nationalist aspirations of society. The new political reality opened a door for a more class-mobile society and formation of new elites not restricted to the ownership of land or of notable background. As Elia Zureik remarked, although they were the “sons and daughters of yesterday’s peasants,” they have become “today’s school teachers, bureaucrats and professionals.”

Propelled by the establishment of a Jewish State on captured Palestinian territories, the uncertain future for refugee dwellers, and the lack of confidence in the Arab regime, a renewed drive emerged to consolidate Palestinian national consciousness and unity, and to reclaim lands that were lost during the war.

Among the diaspora Palestinians, the political and social orientation of elites under each of the ruling authorities (Egypt, Jordan, Syria, Israel, and Lebanon) differed due to the nature of the regimes under which they were governed. Elites who fled Palestine and Israel to neighbouring states particularly as refugees also lived under harsh authoritarian regimes. Those that were refugees in Gaza were also under difficult Egyptian administration. However, those in the West Bank fared better to some degree in comparison to their Gazan counterpart. Conforming to the depictions of post-

193 Brynen, R. “The Dynamics of Palestine Elite Formation.” *Journal of Palestine Studies* 24, no. 3 (Spring, 1995), p. 33
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colonial states provided in the previous chapter, the majority if not all of the neighbouring states were weak states in which the formal governing structures were subordinated to traditional, patriarchal political cultures which subverted the democratic potential of the institutions left by colonial regimes.

Sharabi argues that the patriarchal structures of Arab society which are thought to be in a process of modernisation have neither been truly modernised nor displaced but rather have been strengthened and reinforced in a distorted or warped modernised form. This eventually produced a neopatriarchal society and culture that essentially transferred the old society and culture (and all its mechanisms) into a new hybrid form. This can be witnessed in its different forms in post-colonial Arab states. While Sharabi’s neopatriarchal concept has a socio-cultural application which emphasises the social structure of Arab society, it however also stresses the institutional structure. Thus, the terminology and its application are fundamentally similar, but with a different focus i.e. social as opposed to political, to the term neo-patrimonialism used by Eisenstadt to apply to political structures in post colonial states retaining and reinforcing patriarchal elements in its governing structure. In the patrimonial system in Palestine, the colonial rule of the Ottoman Empire and then the British colonial regime legislated and implemented laws that were to their benefit which did not take into account the traditions and values of the local community, the local population was nevertheless left to their own devices to deal with local issues. As a result, customary law existed in parallel to the colonial court system. As such, the existence of the dual system which gave precedence to customary law (informal) reflecting the patriarchal system’s

196 Traditional laws which were deemed to be as legitimate if not more legitimate than the official law
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traditions and values was often in contradiction to the formal legal system. However, merging the two systems of modernity and patriarchy, as Sharabi concluded, produced a hybrid formal system of governance. The system that emerged from the colonial regime and post-colonial states challenged the patriarchal structure of the society where the family was the basic socio-economic unit.

Halim Barakat’s work on Arab society perceives the emergence of new bourgeois social classes and cultures, as a result of industrialisation and urbanisation, changed the structure of the society and undermined the traditional patriarchal culture as with traditions, values and roles within the Arab family. Sharabi like Barakat identified this class as, not just a bourgeois class but rather as a hybrid neopatriarchy petty bourgeois with neopatriarchal consciousness which he attributed to capitalism. Sharabi argued that although this new social class dominated the social and economic sphere, it was an ineffective social force which lacked internal unity and ultimately was incapable of achieving either “revolutionary social transformation” or “capitalist economic development.” As a result of this hybrid class’ incompetence and disunity, an ideological reorientation emerged, epitomised in the militant and politicised Islamic fundamentalism that gained popular support among the Arab masses as an alternative to unrealised social and economic revolution. The divergent truths between fundamental secularism—which took the model of the West implicitly or explicitly—and Islamism—which held Islam as its basis of truth and legitimacy—dominated the phases of neopatriarchy which eventually can be seen played out in the formation of post-colonial states.

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In post-colonial Arab states—whose experience was similar to that of other formal colonial states where the culture of a patriarchal society was transferred and superimposed onto the state structure to become patrimonial—they were progressively encountering a transformation into a neo-patrimonial governing system. The incongruency in the political system of the colonial regime and the patriarchal governing system of the local entities enabled the establishment of the patrimonial system in order to bridge the contradictions between the two systems. If we maintain Weber’s claim and definition of patrimonialism, then it is as described in the previous chapter that the administrative and military personnel’s allegiance are only accountable to the ruler within the framework of a legal-rational governing structure. As such, the emergence of neo-patrimonial systems can be found throughout post-colonial states in the Arab world. In Egypt, for example, following the overthrow of King Farouk I, James A. Bill and Robert Springborg argue that Nasser’s style of governing was not opposed to patrimonialism—which shall be defined here as neo-patrimonialism because of their method of utilisation of Western models of modernisation and governance with bureaucratic institutions; however, Nasser emphasised many programmes of social change and class transformation which were institutional revolutionary changes rather than expanding the traditional patriarchal informal network. Consequently, Egypt’s traditional patriarchal power structure was disempowered and eventually lost influence and supremacy in the political sphere.201

201 Bill, J.A. and Springborg, R. Politics in the Middle East. (1990), p. 222
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In contrast, Nasser’s successor, President Anwar Sadat, was an emblem of traditional patrimonial rule. Sadat sought to ‘perfect’ the neo-patrimonial structure that Nasser established. As such, Sadat reinstated the patriarchal traditional power structure that was corroded during Nasser’s reign by “lengthening and strengthening the patrimonial strands that would recapture the traditional power structure of Egypt” rather than invoking a liberal democratic state system.  

Sadat encompassed the very features of a neo-patrimonial leader where he developed his informal network by increasing the number of (useful) individuals in the formal decision making process. He also consolidated his power and expanded his informal network by using his position of power to arrange marriages for his daughters with key wealthy and powerful elite families thereby gaining alliances and keeping political oppositions and rivals at bay. Sadat’s espousal of neo-patrimonial rule was to assure his survival and expansion of his power by either holding many indebted to him or by being aligned with powerful individuals, groups and families. He successfully merged the private and public sector by using his formal position in order to reinstate the patriarchal structure. It in turn supported and assured the success of his formal rule.

Palestinians living in the diaspora were socialised towards the political orientation of the Arab-regimes under which they were governed. The Arab culture, tradition, and patriarchal system play a major role in leadership arrangements and power dynamics as seen with Sadat’s Egypt, or with the al-Husseini and al-Nashashibi clans in Palestine. Diaspora notable and emerging elites were now re-socialised into a neo-patrimonial political culture that valued the informal network over the formal process as a means towards power, influence and survival. Since this was not dissimilar or alien from their

202 Bill, J.A. and Springborg, R. Politics in the Middle East, (1990), p. 222
203 Bill, J.A. and Springborg, R. Politics in the Middle East, (1990), p. 223
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own, intrinsic patrimonial political culture during the colonial regimes, they were soon accommodated within broader Arab elites (albeit largely unable to access the core elites as opposed to counter-elites).

Ian Lustick argues that the Palestinian experience under Israeli rule, for those who remained in Israel after 1948, was in some ways similar: the Israeli regime sought to co-opt them by distributing resources through them rather than through state offices. In 1951, the patron-client relations between Israel and the Palestinian elites were quite pronounced. Co-opting and supporting the notable Palestinian families ensured security and social control from an Israeli perspective and perceived accession to power on the part of the Palestinians. Lustick remarks that the co-optation of the Palestinian elites through “material inducements, threats of material deprivation, and individual self-interest [were] the keys to successful manipulation of Arab elites.” The co-optation of Palestinian elites became normalised and elites became ‘dependent’ on these ‘favours’. Palestinian clans were pitted against each other as they sought to exclude rival tribes from positions of power maintaining the traditional patrimonial culture among Palestinians in Israel and keeping them, for a while at least, politically quiescent.

The Palestinians in the West Bank came under Jordanian rule after 1948 and here Palestinian landowners retained much of their land. They therefore had an established power source and network with which they were able to bargain with the Jordanian regime. The Jordanian regime reluctantly included and co-opted Palestinian notables.

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205 Lustick, Ian. Arabs in the Jewish State: Israel's Control of a National Minority. (1980), pp. 201-205
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into its own political processes. However, there was a clear discrepancy between the status of the Palestinians and positions they held in the government vis-à-vis local Jordanians. The Palestinians’ precarious identity as both Jordanians and Palestinians became a source of tension that came into play as Palestinian elites began to dominate some economic sectors and to become a wealthy class in their own right within Jordan. The relationship between the Jordanian regime and the Palestinian elites in the administration reflected Migdal’s politics of survival, with Palestinian elites being co-opted into the administration but only to peripheral positions, reducing any threat they might pose to the Jordanian regime. However, top government positions and important government agencies pertinent to the survival of the regime were reserved and occupied by ‘native’ Jordanians particularly family and tribal members of the Jordanian leadership.207

However, with the progressive and mass (re)construction of Palestinian national aspirations, a gap began to emerge in the political rhetoric of traditional Palestinian elites co-opted into the Jordanian body politic, and the broader population of West Bankers who sought social transformation as a means of advancing their political aspirations. The Jordanian government supported and maintained the notable elites in power playing on the rivalry between the two still influential and powerful tribes, the al-Nashashibis and al-Husseinis, as Britain had done. Its own authoritarianism refused to allow genuine challengers to those traditional elites to emerge. Like Britain, King Abdullah favoured the al-Nashashibis over the more “rebellious” and stronger al-Husseini tribe. The al-Nashashibi tribe was easier to manage and King Abdullah

207 Native Jordanians was in reference to those whose families were present in Jordan prior to the establishment of the Hashemite Kingdom. However, many of the Jordanians, if one looks at their history, also derived from from the Palestinian territories.
assigned strategic Jordanian positions to his al-Nashashibi ally.\textsuperscript{208} Thus he ensured the legitimacy and survival of the occupying Jordanian regime and its ability to exert social control. This is what C. Wright Mills describes in his explanation of the function of counter-elites, where regime leaderships use government positions to keep elites who may pose a threat to their power within a safe distance of control, while simultaneously using them as proxy rulers within their own constituencies.\textsuperscript{209} As a further means of containing popular challenges to this system of rule, many refugees who were situated in camps and had least to gain from the new arrangements—were not extended the same rights (citizenship) as the more conservative Palestinian middle class and elites.

The Gazan experience, which was under the Egyptian administration, was quite different. Following the 1948 war, the narrow Gaza Strip experienced a rapid population growth where originally Gaza had been between 60,000—70,000; by 1948 it had increased to an estimated 200,000. By 1966, the Gazan population had reached 454,960—according to Egyptian figures—though only 354,900 were registered under the 1967 Israeli census.\textsuperscript{210} This made the Gaza Strip one of the most densely populated areas in the world. The population was predominantly refugees, whose social networks and structures had been disrupted by war and flight, and who were poverty-stricken and dependent on international assistance.

Unlike the Palestinians in the West Bank and Israel, where the majority still held their land, the refugee population in Gaza was composed of landless and impoverished

\textsuperscript{208} Migdal, J. \textit{Strong Societies and Weak States}, (Princeton, 1988), p. 223
\textsuperscript{209} Mills, C. Wright. \textit{The Power Elite}, (1959), pp. 288-290
\textsuperscript{210} Efrat, E. “Settlement Pattern and Economic Changes for the Gaza Strip 1947-1977,” \textit{Middle East Journal} 31, no. 3 (Summer, 1977), p. 349. The Gaza Strip was captured from Egypt and occupied by Israel following the 1967 Arab-Israeli war. Two years later in 1968, the population declined to about 356,000 due to emigration, mainly to Jordan
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families. There were no traditional landowning elites with whom the Egyptian regime could negotiate, who could be co-opted, or to whom the refugees owed loyalty. Thus, the Egyptian military administration sought the allegiance of ‘strongmen’ within the refugee population and elites originating from within Gaza itself, who came to serve as agents of control, mediators and distributors of resources. Although this move was to unify and provide forms of structure among the Gazan population, it largely ended the role of the traditional elites. Some local Gazan elites were able to prosper – they were able to buy the trinkets and heirlooms of refugees for sub-market price for example,\(^{211}\) and as a result, many in the refugee population were getting poorer while the richer got richer. But overall, the way was clear for new elites to emerge in the Gaza Strip out of the refugee population itself and reflecting its experiences and more radical aspirations.

In the West Bank and in Israel, the traditional political culture could be sustained because the host’s political culture was familiar—which meant that the Palestinian traditional social structure remained largely intact. But in the Gaza Strip the population were cut off from their traditional social roots and were susceptible to new political cultures.

This displacement of traditional social structure could be said to be of greater extent in Palestinian refugee communities in the diaspora. In the British government’s 1949 estimation, they placed refugee numbers in Lebanon, Syria and Jordan at approximately 280,000. This combined estimation was much lower than the Gaza estimation at 210,000 and West Bank at 320,000.\(^ {212}\) While some Palestinian refugee populations were initially received with welcome and given an allowable level of freedom and

\(^{211}\) Baster, J. “Economic Problems in the Gaza Strip,” *Middle East Journal* 9, no. 3 (Summer, 1955), p. 325

political activity, particularly in Lebanon, it was not long before the Lebanese and Syrian regimes, like the Jordanian regime, recognised the potential threat to their own security from this traumatised population, both in terms of demographic balance (Lebanon) and their increasingly radical Arab and Palestinian nationalist aspirations. Thus the regimes began to retract rights, and confine the refugee populations to limit their local impact. The emergence of new elites that might challenge the prevailing patrimonial political culture, which sustained the Arab regime elites, was systematically suppressed. One result of this repression was that political activities became increasingly clandestine and even subversive. Palestinian national aspirations had to be advanced through struggle as much against Arab regimes as against Israeli occupation, setting traditional and co-opted elites against the increasingly radicalised new elites. One site within which this struggle was to be played out was the Palestinian Liberation Organisation (PLO), the political culture of which was to be defined by its uncomfortable effort to reconcile dependence on the support of patrimonial authoritarian Arab regimes with the radical, even revolutionary aspirations of the developing mass Palestinian national consciousness.

THE PLO AS AN ‘OUTSIDE’ FORCE

At Egypt’s behest, the Arab League commissioned Ahmad Shuqeiri (an Acre born Palestinian lawyer) to follow up on an Arab League Council initiative which sought to organise the Palestinian people into a unified and representative identity, and to

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establish a Palestinian army located in host Arab countries. \(215\) This was realised on 28 May 1964 with the establishment of the Palestine Liberation Organization (PLO)—

*Munazzimat al-Tahrir al-Filastiniyya*. At the opening of the first session of the PLO’s Palestinian National Council (PLO’s legislative arm), its members—recruited by Shuqeiri—were composed of bourgeois and upper-class Palestinians as well as representatives from the Palestinian middle-class and professional trades. \(216\) As a result of its creation outside of Palestine, the PLO was considered neither autonomous nor grassroots but rather a product of pan-Arabism and Arab regimes. \(217\) As such it did not gain widespread Palestinian support until after the 1967 Arab-Israeli war. Although the Arab states were defeated (again), one Palestinian group (Fatah) made a heroic stand in the West Bank, its leader—Yasser Arafat—subsequently being able to take control of the PLO in February 1969.

The Fatah movement (*Harakat al-Tahrir al-Watani al-Filastini*) was founded by Abu Jihad, Saleh Khalef, and Yasser Arafat in Cairo. \(218\) It first achieved recognition in 1959 through an underground leaflet, *Our Palestine*, which reflected the founders’ refugee status and experience. Its popularity derived from its grassroots nature and from its fierce nationalist position, which rejected pan-Arabism and focused specifically on Palestinian aspirations. Having taken control of the PLO, Fatah sought to transform it into a legitimate \(219\) Palestinian political voice. The 1967 defeat propelled Fatah to remove the PLO from the control of repressive Arab regimes and initiate a direct

\(215\) Khatib, G. *Palestinian Politics and the Middle East Peace Process*, (2010), p. 27  
\(216\) Khatib, G. *Palestinian Politics and the Middle East Peace Process*, (2010), p. 27  
\(218\) Ismael, T.Y. “Arafat’s Palestine National Authority,” *Durham Middle East Papers*, no. 71 (June, 2002), p. 14  
\(219\) Legitimate in the sense that seen from a Palestinian point of view, it was specifically focusing on the Palestinian issue and not a ‘tool’ by Arab regimes for their own personal agenda.
Palestinian struggle to retrieve their homeland.\textsuperscript{220} The Arab regimes, embarrassed by their defeat, reluctantly endorsed this, as well as Fatah’s calls for a democratic, secular, unitary Palestinian state open to, and inclusive of, all people. Fatah represented the “arrival” of new Palestinian political elites, committed to anti-colonial struggle and social transformation, apparently a direct challenge to the traditional political elites that had failed to achieve this for the Palestinians. It also sought to unify Palestinians regardless of status, occupation, or location.\textsuperscript{221}

Michael Hudson observes that this new elite developed “leadership, organization, and mass support quite superior to earlier efforts during the British Palestine Mandate and to those of other political movements in the Arab world.”\textsuperscript{222} Its revolutionary rhetoric against Israel gained support from both those inside the Palestinian Territories as well as those in the diaspora. The PLO filled the political vacuum following the 1967 disillusionment with the Arab Regime ultimately becoming a mobilising agent for the young, educated, intellectual, political activists.\textsuperscript{223} The PLO’s struggle to gain political rights for Palestinians as well as its function as a ‘government’ structure—which provided various cultural, social and economic services to Palestinians in the diaspora—provided it with popular support and legitimacy.\textsuperscript{224}

However, it remained financially dependent on donations from wealthy Arab countries. Moreover, while its claim to be the legitimate voice of the Palestinian people became

\textsuperscript{220} Sayigh, Y. “Turning Defeat into Opportunity: The Palestinian Guerrillas after the June 1967 War,” \textit{Middle East Journal} 46, no. 2 (Spring, 1992), 245
\textsuperscript{221} Said, E. “Intifada and Independence,” \textit{Social Text}, no. 22 (Spring, 1989), p. 26
\textsuperscript{222} Hudson, M.C. “Developments and Setbacks in the Palestinian Resistance Movement 1967-1971.” \textit{Journal of Palestine Studies} 1, no. 3 (Spring 1972), p. 66
\textsuperscript{223} Said, E. “Intifada and Independence,” \textit{Social Text}, no. 22 (Spring, 1989), p. 26
\textsuperscript{224} Muslih, M. “Towards Coexistence: An Analysis of the Resolutions of the Palestine National Council,” \textit{Journal of Palestine Studies} 19, no. 4 (Summer, 1990), p. 4
official when it was recognised as such in the mid-1970s by the Arab states, many Third World countries and its future ally, the Soviet Union, the PLO was crucially weakened by its lack of a permanent territorial base. Expelled from Jordan in 1970, and again from Lebanon in 1982, it was forced to remove to Tunis, far from its front lines and demilitarised.

Thus, despite its radical ideology and rhetoric, the PLO under Fatah developed a political culture that was based on necessity and pragmatism rather than democratic principles. Having to operate under the eyes and controlling hands of repressive Arab regimes, the PLO apparatus developed clandestine ways of working, and informal networks which enabled it to be flexible and responsive to events. At the same time, regimes had to be appeased, not least in order to extract resources. Double-speak and compromise became key assets, and “under-the-table” transactions were frequent in order to protect the leadership, the movement, and their assets as well as to expand and co-opt new partnership and members.

There was no accountability because there was no state structure to hold them accountable. Although the Palestinian constituency was geographically dispersed and was unable to contribute to the internal policy debates of the PLO organisation, the leadership set itself up as a state apparatus to represent—as well as serve as a voice for the Palestinian population. By securing financial backing, the PLO leadership was able as to sustain its legitimacy and influence over its constituency through patron-client relations with its subsidiaries and partners rather than through accountability and due process. This resulted in the PLO developing a political culture that was, as Pareto has

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argued, an outcome of the flaws and qualities of people in society\textsuperscript{226}, which it internalised and reproduced to reflect its role and attitude towards the political system.\textsuperscript{227} The PLO as an institution reflected a neo-patrimonial culture where the formal and the informal system were simultaneously used to maintain the survival of the regime and to gain legitimacy from its supporters—through financial and political co-optation. As is characteristic of a neo-patrimonial ruler, Arafat strengthened and expanded the traditional patriarchal network through the PLO’s formal system. However, the PLO also presented an image of a modern institutional structure (with statal capacity that adheres to the international governing ‘norm’) to gain legitimacy from the international community. Moreover, the Palestinians accepted the PLO as their ‘state’ in function although in exile.\textsuperscript{228}

The PLO has been described as having para-statal formation encompassing many characteristics of a government. It has a bureaucracy in the form of the Palestinian National Council (PNC) and an Executive Committee, an army and financial resources.\textsuperscript{229} However, both the main institutions of the Palestinian ‘government’ under the PLO, the PNC—which acted as the parliament in exile—and the Executive Committee—government in exile—were located outside of the OPT. Neither of these main bodies had “direct and sovereign access” to Palestinian communities in Jordan, and Syria nor to the West Bank and the Gaza Strip, which were under Israeli occupation.\textsuperscript{230} As such, the PLO as a ‘governing’ body had to perform within the framework of a non-state and non-status entity, which was not always in their favour. The only connection this “government” in exile had to the Palestinian Territories was

\textsuperscript{226} Pareto, V., \textit{Sociological Writing}, (1966), p. 117


\textsuperscript{228} Muslih, M. “Palestinian Civil Society,” \textit{Middle East Journal} 47, no. 2 (Spring, 1993), p. 260

\textsuperscript{229} Muslih, M. “Palestinian Civil Society,” \textit{Middle East Journal} 47, no. 2 (Spring, 1993), p. 260

\textsuperscript{230} Hilal, J. “Problematising Democracy in Palestine,” (2003), p. 164
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through the Palestinian elites and political parties inside the territories, to whom this thesis will refer as ‘Insiders’.

Many scholars have argued that the Outsiders (PLO in Tunis) and the Insiders (those who were inside the OPT) were politically at odds, each competing for power and influence. Contrary to this perception, neither party differed politically from the other because each served a complementary role. Rather, what was at odds was their political priority to reach their objectives.231 The Insiders needed the Outsiders for financial support and connection. In turn, the Outsiders needed the Insiders to legitimise their position as leaders and rightful representatives of the Palestinians. The Insiders managed daily affairs and provided the leg-work from inside the OPT, while the PLO developed themselves from the outside fighting along the borders of the OPT. In order to further the movement and aid the Insider leadership, the PLO raised funds which were fed into the OPT providing scholarships and medical services for the Insiders and for refugees in the surrounding countries. Though priorities between the Insiders and the PLO differed, their unified political goal for an end to the Israeli occupation, later modified to Israeli withdrawal to the 1967 border, outweighed the need to stipulate who accomplished which goal, and who performed what task. They filled the particular roles that the other could not perform. In an interview with Ghassan Khatib, one of the leading prominent political figures and activist in the Palestinian Territories, he argued that the PLO Outsiders and the Insiders worked alongside each other and profited from the success of the other. The Insiders pushed for one set of priorities due to their daily interaction and experience with the military occupation while the Outsiders pursued

another course of priorities which they saw as necessary for their survival and their broader agenda. The discrepancy in priorities would later play a significant role in the competition between elites in post-Oslo OPT. As such, it is of significance for us to now identify the elites that developed inside the Palestinian Territories, their composition and how they evolved.

PALESTINIAN ELITES 1967—1993

The 1967 Arab defeat led to a reassessment by Palestinians of their position and strategies. The successes of emerging Palestinian guerrilla groups contrasted sharply with the powerlessness of Arab regimes relative to Israel, the failure of the international community to provide a just end to the conflict, and the failures of traditional Palestinian elites to successfully mobilise either. The ideologies that emerged as a result of the new political reality reinforced the overall cohesion of the Palestinian national movement but did not eliminate intra-elite rivalry. Many of the more secular and liberal emerging Palestinian elites, believed that the defeat suffered by the Arab regimes during the 1967 War was a result of the old elites being held bondage to tradition and backwardness, arguing that the only way forward was through modernisation—with modern leadership not necessarily deriving from the notable class (which reflected an increasing social mobile society and the Fatah leadership composition) and with specific focus on the Palestinian issue. On the other hand,

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religious leaderships contended that the defeat was a result of people deviating from the true path of Islam, embracing foreign ideologies, and therefore were being punished. As such, the religious sector advocated a return to a truly Islamic path. The emergence of such new, popular-based leaderships was a challenge to the traditional notable elites, not least since their progression into positions of influence both within the PLO and in local political institutions under occupation meant they were holding more significant and strategic positions of power, bringing with them new or alternative political cultures which arose from popular rather than elite experiences and interests.

The legitimacy of traditional notable elites’ legitimacy was questioned as they appeared self-serving and in collaboration with the Israeli regime. According to Reuven Pedatzur, the Israeli Prime Minister Levi Eshkol and his cabinet proposed a return of captured lands, Sinai Peninsula and the Golan Heights, to Egypt and Syria respectively in exchange for peace, however, only political autonomy for the Palestinians of the West Bank. Subsequently meetings took place between Palestinian notable elites and the Israeli administration in November 1967, but these quickly revealed that the Palestinian constituencies did not have a singular leadership and no one was willing to take on such a leadership role. Eshkol claimed that the Palestinian elite’s refusal was due to fear that reaching a separate settlement with Israel would place them in a precarious situation within the Arab world. Due to tribal division, political factions, and the lack of a cohesive leadership there was no singular representative that could credibly speak on the behalf of the Palestinians. Moreover, the Palestinian traditional

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notable elites were not overtly enthusiastic about Palestinian autonomy. In a September 1968 meeting with Anwar Nuseibeh, a prominent lawyer from Jerusalem and one of the representatives for the Palestinians, he proposed a plan to Eshkol which had no reference to an autonomous Palestinian territory but rather the return of the territories to the Jordanian regime.²³⁸ It appeared that prominent figures and notables in the West Bank were not entertaining the idea of a Palestinian national identity or independence, nor was it in their rhetoric because maintaining ties with Jordan was far more advantageous than the option of an uncertain autonomous Palestinian territory surrounded by/under Israel.

The Gaza Strip had neither been annexed (as had the West Bank by Jordan) nor had its traditional elites been included in the political process by the Egyptian regime. It was managed by a separate administration comprised of the Egyptian army and intelligence forces who sought to discourage the development of conglomerate elite formation and interdependence. After the administrative transfer to the Israeli administration following the 1967 War, the Gaza Strip still occupied a precarious position. The lack of resolution for the refugee state of affairs, the unstable political situation, the lack of inclusion into either the Egyptian or Israeli administration and the non-integration of the refugees into the indigenous Gazan ‘political’ and social structure contributed to a radicalisation of the refugee population. Consequently, tension and conflict also emerged here between Gazan traditional elites and the radicalised refugee population. The refugee population and the traditional elites were compelled to compete for

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resources, which often required accommodation towards the regimes allowing for co-optation.\(^{239}\)

Israeli occupation of both the West Bank and Gaza strip soon resulted in a dramatic increase in Palestinian wage labour into Israel, Jordan and the Gulf States due to lack of economic opportunities inside the territories, a proliferation of university educated Palestinians without employment opportunities, and on-going confiscation of Palestinian lands. This further changed the social and power structure in Palestine. The loss of land, the means of influence and the source of power for the notables, provided the well-educated and the non-traditional notables with the opportunity to establish a new power structure based on institutional opportunities rather than through the traditional patronage relations.\(^{240}\) The wage labourers in Israel and abroad earned more than their Palestinian counterparts who depended on the land. The establishment of a Palestinian university system in 1972 further ‘improved’ the opportunities for upward mobility. Prior to the existence of a Palestinian university system, those who acquired university degrees were predominantly confined to the offspring of notable Palestinian elites who were sent to study abroad.\(^{241}\) However, following the establishment of the university system in Palestine, higher education was accessible to all. With the open-door policy, non represented areas—villages, small towns and refugee camps—took advantage of the opportunity where it was estimated that they composed about 70 percent of the university student body.\(^{242}\) Therefore, what emerged from this university setting was a significant number of politicised educated non-notables who became civil

\(^{240}\) Mazawi, A.E., and Yogev, A. "Elite Formation under Occupation: The Internal Stratification of Palestinian Elites in the West Bank and Gaza Strip." *British Journal of Sociology* 50, no. 3 (September 1999), p. 402
\(^{241}\) Elites send their children to either study in other Arab countries, in the West, or Russia.
\(^{242}\) Robinson, G. *Building a Palestinian State.* (1997), p. 16
society leaders and political activists, a new form of political elite, as part of the broad resistance movement. Critical of the traditional elites, this young educated and politicised leadership reflected their experiences of life under occupation and their exposure to the democratic orientation of the colonisers’ own political system.

All these factors, migrant wage labour, land confiscation and the establishment of an university system, served to sever the patron-client relations which had underpinned the traditional elites’ and to legitimise new elites made up of better educated, non-landed, individuals. The new institutions which they established, including the universities, unions, civil society organisations and resistance movements created new identities, loyalties, affiliations, and social groupings whose socialisation and political orientation differed in many respect from those of the traditional notable elites. As a result, the new elites—what is identified here as counter-elites—that emerged from this era were nationalistic in nature yet also came to espouse a nascent democratic political culture that was particular to their own experience under the Israeli occupation. It was a political culture which recognised new social mobilities, an equitably shared Palestinian national identity, inclusive role and civic participation in the political process and leadership positions, distribution of power, and the support for developing grass-roots institutions which served as a driving force in mobilising the population in their resistance.

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1970s AND THE RISE OF RADICAL LEADERS

The principal determining factor for political legitimacy was now an individual’s involvement in national resistance against the occupation, including for example prison experience, rather than on patron-client relations. Even those leaders who derived from notable families had to demonstrate such credentials. Nonetheless, the traditional Palestinian notables’ wealth, education and social affluence in the West Bank helped preserve some of their influence and authority during the Israeli occupation.244 Thus to some extent, and although the 1970s ushered in social and political change, a large part of the core social elite remained intact, fusing with the new, radical socially-mobile elites.

In 1972 the Israeli occupying forces allowed municipal elections to take place within the Palestinian Territories, which were supported by Fatah as well as the Jordanian government. The elections witnessed these new, young, nationalist leaders apparently replacing older more conservative traditional notables. But, neither Israel nor Jordan opposed the election of young radicalised leaders for they were from the same stock of the key traditional elite hamulas (families) whom they had already co-opted. Over 85 percent of the electorate participated in the election, which suggested various factors as in an increasingly politically conscious population and/or an open and inclusive political process.245 As Moshe Ma’oz observed, in the changing political climate of the Palestinian Territories, the wealthy and larger landowning and traditional families

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245 Sandler, S. “Israel and the West Bank Palestinians,” Publius 18, no. 2, Bicomumunal Societies and Polities (Spring, 1988), p. 52
encouraged their younger and politically radical sons to run for municipal office in order to maintain and sustain the family’s socio-political power. Therefore, the “new” rhetoric of political and social reform presented by young leaders did not initially present any threat to the governing regime. However, the elections marked a move towards democratic processes and the political culture of these emerging young counter-elites was significantly different from the older generation. It was not only nationalistic but also democratic and inclusive. Although they endorsed the PLO—which they deemed the only alternative entity accepted as a legitimate voice and representative for Palestinians that can negotiate effectively with the Israeli regime and gain the attention of the international community towards their cause—and considered themselves a part of it, their own political culture was not neo-patrimonial but populist and democratic.

The 1976 election in the West Bank on the other hand, in contrast to the 1972 election, had a leadership that was anti-Israeli and anti-Jordanian. They outright rejected Israel and Jordan and declared the PLO as the true authority of the Palestinians which resulted in a PLO 1976 electoral landslide. The Israelis soon recognised their mistake. In order to counter this increasingly outspoken and pro-PLO leadership, the Likud-led government implemented the systematic Sharon-Milton crack-down policy on PLO-affiliated institutions, the universities, the press and the newly elected mayors, replacing the latter with Israel-sponsored local citizens/rural mukhtars whom they hoped would challenge the PLO’s power base in the West Bank. Years of Israeli policies intended to control the Palestinians through support and co-optation of

246 Ma’oz, M. Palestinian Leadership on the West Bank: The Changing Role of the Mayors under Jordan and Israel, (Washington, 1984) p. 71
247 Sandler, S. “Israel and the West Bank Palestinians,” (Spring, 1988), p. 54
248 Sandler, S. “Israel and the West Bank Palestinians,” (Spring, 1988), p. 56
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Palestinian traditional elites were destroyed by the new Sharon-Milton ‘anti-notable’ policies. These cut off financial support to organisations controlled by the notables (mainly under PLO control in the West Bank), further confiscated lands from them, and installed quasi-‘elites’ under the ‘label’ of Village Leagues who were not recognised or respected by the Palestinian society. As had colonial states before them, the Israelis had installed their own proxies who had no legitimacy within society into leadership positions, although this backfired on the Israeli regime as the quasi-‘elites’ fought among themselves for leadership and for resources, further destabilising the territories. Moreover the strategy further promoted internal Palestinian political mobilisation and pro-Palestinian nationalism sentiments. Israel’s failure to allow Palestinians to develop their own political structures radicalised the population further and reinforced the legitimacy of the new counter-elites.

THE 1980s AND STRUCTURAL CHANGE

If the 1970s saw the new counter-elites demonstrating a hybrid political culture which included features of both traditional notable elite culture and the developing radical, nationalist and democratic political culture, the 1980s saw a further decline in the political influence of the Palestinian traditional notables which could be attributed to three major structural changes under Israeli rule: the on-going confiscation of Palestinian lands, the associated virtual elimination of the Palestinian peasantry, and the expansion of the Palestinian university system. The resulting shifts in social structure reinforced the counter-elites despite “the Israeli onslaught against radical

249 Robinson, G. Building a Palestinian State, (1997), p. 15
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political forces of Palestinian nationalism (elected mayors, activist, trade unionists, and students)…” Nevertheless, the Israeli crackdown did not dampen the emergence of ‘traditionalism’ that became a “cultural core” and the foundation of Palestinian nationalism. As argued by Salim Tamari, this is a case whereby “conservative national forces played a role in defeating a reactionary (collaborative) political movement.” It was not traditionalism in a sense of regressing to the old way of life but rather preserving the traditions which comprised Palestinian communal identity whilst simultaneously incorporating modern ideas and ways of accomplishing tasks.

Moreover, whilst the traditional patriarchal system and associated patron-client relations was declining in terms of determining power holding, it still retained an important role in the university setting. In many aspects, the early political recruitment process was still based on social identity rather than exclusively on political platforms. University students were recruited into political activism based on the recommendation of friends or family ties to ensure loyalty and trust. Recruitment into a faction was a life-long commitment which required dedication. It dictated to a high degree a member’s public and private space i.e. whom they should associate with, events and parties to attend, restaurants and stores to frequent, the type and characteristic of resistance to embark upon. As such “personal ties” were fostered, maintained and pursued even after university.

One significant change in this new counter-elite political culture, which differed from their notable predecessors, was the recruitment of women, from various sectors of

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society but particularly from the university setting, into active leadership roles in the resistance movement. Women represented a valuable resource for the counter-elites and one neglected and excluded by the traditional notables. Women were incorporated into all aspects of the political and social movement, both in the society and in the university setting. The life of a Palestinian student was politically infused where political socialisation and recruitment was an ‘innate’ part of the educational experience. The university setting was a breeding ground for political activity which required active participation from every member (ardent or disinclined) of the student body. Because the university experience was politically vibrant “reluctant students often felt compelled to participate in protests to avoid criticism of their fellow students.”

Israel’s fear of political unrest and anti-Israeli sentiments prompted actions which placed many Palestinian student activists, later to become lawyers, doctors, professionals, and professors in Israeli prison. The ‘placement’ of these political prisoners in the same prisons or “people’s schools,” as referred to by the Palestinians, became a political socialisation mechanism. Israeli jails came to symbolise an alternate ‘educational’ ground for current and future Palestinian political activists and leaders. By placing Palestinian political prisoners in the same detention centre it not only enabled the detainees to develop comradeship but it also provided the perfect milieu for political socialisation and strategy building. The prison experience carried more solidarity and consanguinity than any other form of experience during the Intifada.

254 Robinson, G. Building a Palestinian State, (1997), p. 21
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which continued into the post-prison era and did much to reinforce the importance of equality among the new counter-elites.\textsuperscript{256}

The activism that was nurtured during the university years was translated into grassroots organisations and projects undertaken by university graduates. These brought about much needed social welfare and economic development. The Israelis recognised the political implication of these projects and sought to sabotage them through indirect means by appealing to the \textit{mukhtars}. However, when that approach failed to produce the desired outcome, they persisted by more direct means.\textsuperscript{257} Curfews, house demolitions, travel restrictions, economic closures, and neglected social and health services were all policies used to obstruct and immobilise the growing resistance movement. Nevertheless, the social and political outcome of these Palestinian generated projects was that it not only stimulated the physical environment of the local communities, it also built up the morale of the society and mobilised the population. What emerged was a population with a strong “national Palestinian consciousness” kindled by urban sprawl which allowed them to become more politically active and involved with the political reality. Thus with the dawning of the First Intifada, what emerged was a mobilised and seemingly cohesive force.

\textsuperscript{256} This is an experience shared by any ‘brothers-in-arms’ during periods of ‘war’. The Palestinian prison experience/prisoner relationship was often compared to camaraderie developed in the Israeli military service.

\textsuperscript{257} Robinson, G. \textit{Building a Palestinian State}, (1997), p. 30. Checkpoints put restraints on the movement of goods and people which are often detrimental to the survival and success of many projects and organisations.
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THE INTIFADA

The festering grievances, dissatisfaction, and entrenched social and political changes in the Palestinian society made the OPT a ticking time bomb waiting to be set off. 258 On the 8th of December 1987, a motor accident between a vehicle carrying Palestinian workers and an Israeli truck served as that catalyst that triggered the mass uprising throughout the OPT. 259 The Intifada was a collective uprising against Israeli occupation and policies towards the Palestinian people. It was an indigenous grassroots movement which renewed the sympathy of the international community for the plight of the Palestinians. 260 The Intifada emerged during a critical period for the PLO which – following a decade of violent and ultimately unproductive acts of international terrorism, civil war, and rejection and expulsion from Arab states - was in need of rejuvenating its power, authority and legitimacy for its survival as an organisation. The U.S. had outlawed support for the PLO and sought to close down PLO information offices in Washington and at the UN through the Anti-Terrorism Act of 1987. The Arab summit held in Amman in November 1987 had received Arafat with contempt and prioritised the Iran-Iraq war over Palestinian issues. 261 It demonstrated a decline in the status of the PLO as well as in the importance of the Palestinian issue. In such circumstances, and recognising the growing legitimacy of the Insider elite, the PLO and Arafat were under pressure to develop a more salient political strategy.

260 Ismael, T.Y. “Arafat’s Palestine National Authority,” Durham Middle East Papers, no. 71 (June, 2002), p. 17
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The Intifada, which occurred a few weeks following this PLO diplomatic humiliation and a grassroots movement, was only possible because of the emergence of the new counter-elite in the OPT. But it also served to unite society in collective action, transforming the political structure through mass participation. It not only encouraged self-sustainability in the society’s basic human needs but also the diffusion of power. The emergence of the counter-elites had allowed for the devolvement of authority such that it was diffused throughout all levels of society. It was a phenomenon not experienced or in existence previously and the process was vastly enhanced by the participation of grassroots organisations and institutions in the Intifada. The resistant movement was not limited to particular individuals, groups, or tribes but rather required and encouraged the involvement of all: the masses, NGOs, intellectuals, old/new elites, organisations, students, police, professionals, institutions, and local communities.

Although the counter-elites served as agents of change, without the support of the masses, they could not implement any real or significant political and social structural changes. As classical theorists like Mosca and Pareto had observed, only when the mass is mobilised and included are new elites able to set in motion structural changes to the existing system, or to remove ineffective and/or despised leaders/regimes from power. One of the structural changes observed during the Intifada was the decreasing role of the traditional notable elites in the decision making process and their replacement with counter-elites. Because power was diffused to all levels, the traditional notable elites’ influence via patron-client networks declined. Conversely, the counter-elite were empowered as their status in grassroots organisations became more important for the wider society and the resistance movement.

263 Robinson, G. Building a Palestinian State, (1997), p. x
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The new emerging counter-elites mobilised the society through local organisations, NGOs, and popular (underground) committees which could not be easily eliminated by the Israeli regime, in the process enhancing their own legitimacy. Lacking formal political institutions, the counter-elites organised informal structures of power including grassroots organisations and popular committees which served as substitute ‘governmental’ institutions. The underground PLO-affiliated structures not only organised demonstrations, timed commercial strikes, and established backyard agricultural projects, but also provided emergency medical services, and distributed money and food, and other social services on a local level. Through these, the counter-elites were able to retain social control and encourage cooperation between groups which allowed for successful coordinated political activities. This collaboration conferred legitimacy on the PLO, which the counter-elites attributed as the legitimate representative of the Palestinians and as their governing entity, thus portraying a central authority role. Moreover, it depicted an image of cooperative interaction between the PLO in Tunis and the political, social and civil society groups in the OPT.

The resilience of the Intifada in the face of brutal Israeli efforts to suppress it, increased support for Yasser Arafat and the PLO as symbols of Palestinian nationalism, and revived the PLO’s legitimacy as representative of the Palestinian people. Nonetheless, the counter-elites leadership roles during the Intifada marked a discernible shift in political decision-making power from the PLO Outsiders in Tunis to the Insiders in the OPT particularly for internal activities and actions. Nevertheless, this did

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265 Ismael, T.Y. “Arafat’s Palestine National Authority,” Durham Middle East Papers, no. 71 (June, 2002), p. 17
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not declare or signify a competition between the two entities but rather portrayed as a collective effort under the auspices of the PLO. Israeli efforts to politically annihilate the counter-elites through coercive measures proved counterproductive, only enhancing their nationalist credentials and strengthening mass solidarity. However, this did not stop Israel trying: they imposed harsh measures including the closure of borders, of all educational, health, and economic systems; and inflicted curfews to limit mobility, and restriction of mass gatherings. This served only to motivate the resistance further, provoking widespread civil disobedience. This took the shape of alternative ‘underground’ social provision in the forms of a collective establishment of temporary schools and mobile medical clinics, tax boycott, general strikes, and Israeli product embargoes. The Intifada mobilised all sections of the population particularly women, youth (shebab), professionals, and wage labourers. Everyone could and were encouraged to participate which reinforced the relevance of the counter-elites’ nascent democratic political culture. The work of grassroots organisations was crucial to this effort, and to consolidating the political influence of the new counter-elites.

As the impact of the boycott of already insufficient Israeli services and the embargo of Israeli goods and jobs was increasingly felt by the Palestinian society, grassroots organisations were ever more heavily drawn upon to fill the gaps. Thus, in time they came to serve as informal institutions that gave coherence to the fragmented society and enhanced effective autonomy from Israeli military rule.266 They were not perfect – at times the Intifada was still plagued by internal leadership rivalries between notable elites and counter-elites, and among counter-elites themselves. Leadership rivalry led to duplication of services which wasted resources and ultimately became a stumbling

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block to the cohesiveness of the resistance movement. But they served ultimately to establish the supremacy of the new Insider counter-elite over traditional notable competitors.

THE GOVERNING COMMITTEE

The occupation had prevented the establishment of a Palestinian civic administration, and thus the counter-elites formed popular committees as informal substitutes to find ways to counter the social, political and economic hardship encountered under the occupation. In the wake of the Intifada, the Israeli regime deemed all grassroots committees affiliated with any PLO party illegal, their members subject to a ten-year imprisonment sentence. Popular Committees therefore came to symbolise popular civic resistance. The Popular Committees provided the organisational and leadership structures during the Intifada, organising inter alia political activities, social welfare, and economic support. They operated on liberal-democratic principles, the most significant group being the popularly-based Unified National Leadership of the Uprising (UNLU). The UNLU was formed in December 1987 by four leading PLO factions: Fatah, the Popular Front for the Liberation of Palestine (PFLP), the Democratic Front for the Liberation of Palestine (DFLP), and the Palestine Communist Party (PCP). According to an interview with Dr. Mamdouh Aker, one of the political personalities of the Intifada, he also confirmed the clandestine nature of the UNLU and

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268 Mazawi, A.E., and Yogev, A. "Elite Formation under Occupation," (September 1999), p. 402
272 PCP later changed to Palestinian People’s Party (PPP)
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its unified leadership that represented all the main factions, the exception being the still very new Islamist Hamas movement.273

The emergence of the UNLU as a leadership organisation institutionalised the Intifada. The UNLU consisted of the brightest and most talented individuals from each faction. Each faction nominated an individual as a representative of their party to become the ‘leaders’ of the UNLU. In reality, the four elected individuals were just symbolic delegates of their parties - the real leaders remaining in hiding to protect themselves and the movement from the Israeli intelligence. As the decoy leaders were arrested, imprisoned or killed, others would immediately emerge as replacements. This set-up prevented the Israeli military regime from completely eliminating the movement since the true sources of the leadership were protected and unidentified. As one scholar explained, the inchoate and decentralised nature of the UNLU leadership reflected the grassroots nature of the movement.274 It differed in many aspects from both traditional leaderships and from the Outside resistance movement. The resistance movement in the OPT consisted of young and educated political activists, labour unions, women’s organisations, youth organisations, community groups, medical and agricultural groups with leaders being elected from among their ranks on the basis of merit rather than family connections.275

273 Aker, Mamdouh. Personal Interview. 6 Aug. 2008
274 Miller, A.D. “Palestinians and the Intifada: One Year Later.” Current History 88, no. 535 (Feb., 1989), pp. 74-75
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The decision making executed by the UNLU reflected the need to distribute power amongst the various political factions and to coordinate their activities, reflecting a profound cultural change from the intra-elite competition of the traditional notable elites and better enabling them to mobilise the wider population behind their efforts. Their decisions were diffused through the network of subordinate popular committees which reproduced their principles of broad and equitable representation of diverse political factions.

Between April and June 1988, the UNLU called for Palestinians to resign from their posts as tax collectors, police officers, appointed civil servants etc. which brought disarray to Israel’s governing structure in the OPT. By mid-1988, the Israeli military regime had lost control of the OPT. Removing Israel’s information power-base in the OPT, i.e. the collaborators, made it more difficult for the military regime to track political activities. By November 1988, during the PNC’s nineteenth session in Algiers, a declaration was issued by Yasser Arafat calling for an independent Palestinian state in the Gaza Strip and the West Bank alongside Israel. This was a significant political stance by the PLO because it indicated recognition of Israel’s right to exist, a renouncement of Palestinian claim to 78 percent of Palestine, advocacy of a two-state solution, rejection of terrorism as a method to resolve conflict, and negotiations based on UN Security Council resolutions 242 and 338. Despite the compromising message entailed in the PLO’s announcement, the declaration indicated that the PLO

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favoured a diplomatic solution to the conflict, which initiated a political breakthrough with the United States and opened a channel for dialogue between the PLO, the U.S. and Israel.\textsuperscript{280} However, of utmost significance to the PLO’s call for a Palestinian independent state based on the 1947 UN Resolution, though not much discussed, is that it was a proposition put forward by the UNLU Intifada leadership. Although Insider counter-elites from the Gaza Strip and West Bank were not present at the PNC meeting, their adamant insistence that the PLO make a declaration of a two-state solution to co-exist with Israel forced the Outsiders’ hands. However this idea was not altogether alien to Arafat’s aim as in the 1974 PNC meeting which called for the establishment of a national authority.\textsuperscript{281} The Insider counter-elites were realistic in their approach in that they recognised that a major breakthrough on the diplomatic front was needed in order to end the Israeli occupation and that the catalyst would be the U.S.\textsuperscript{282} Although there were critics of the PLO’s political move, there was a general acceptance of this declaration as a product of the Intifada: and even though Arafat’s hand had been forced, he was equally eager to reassert the PLO (in Tunis) as the legitimate representative of the Palestinian people which should lead the diplomatic process thus.

The Israelis were not only unprepared but failed to respond to this initiative. They chose instead to focus their military efforts on containing the resistance movement.\textsuperscript{283} They resorted to organising, recruiting, entrapping, and blackmailing Palestinian

\textsuperscript{283} Tessler, M. “The Intifada and Political Discourse in Israel,” \textit{Journal of Palestine Studies} 19, no. 2 (Winter, 1990), p. 43
prisoners in Israeli prisons to serve as collaborators. As one Palestinian fugitive asserted, “…a Palestinian collaborator will always know the village better than a soldier from Tel Aviv.” By the first quarter of 1989, collaboration was endemic in the underground network and by summer 1989, the OPT had been infiltrated by gangs of armed collaborators who worked with Israeli security forces to weed out suspected activists. As fear of them grew, the UNLU responded through measures of counter-intimidation which led to the killing of many collaborators.

A security committee (in the capacity of a ‘police’ force), composed of former police officers—who had resigned en masse from the Israeli administration, and PLO cadres were made responsible for keeping law and order, securing premises and persons, and halting Israeli settler/collaborator attacks on people and businesses. However, some sections of this informal police sector—particularly PLO cadres made up of recruited members from the territories and returnees who fought from the Outside with Arafat—engaged in vigilante justice by ‘enforcing’ the ‘law’ on suspected collaborators. In certain occurrences, the accusations were politically motivated for factional/political gain. In other cases, it was driven by corruption—through exploitation for financial gain or to settle tribal/familial disputes. The police force eventually deteriorated into intra-factional and intra-police hostilities. By the summer of 1989, the official count for collaborators killed since the beginning of the Intifada was more than 200. However, the non-official toll was far higher and of those killed as collaborators an estimated 1000 Palestinian “collaborators” were killed by Palestinians by the end of the Intifada.
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40 to 45 percent had maintained contact with the Israeli authority. By the end of 1989, the factional divisions had subsided to some degree, and the UNLU reached an agreement with the Islamic Resistance Movement to coordinate efforts at activities, strike force, law enforcement etc.

The decentralising nature of the political sphere surrounding the UNLU and its leadership paved the way for maintaining fragmented political entities, factional and vying groups. Nevertheless, the UNLU as a ‘government’ entity was able to administer punishment, resolve disputes, provide social welfare services, and organise collective anti-occupation activities which contributed to unification of the mass. Although the UNLU was able to consolidate the various factional goals into a cohesive effort, like any informal institution, they failed in some aspects of control, as concerning vigilante groups and the ‘police’ force. Nonetheless, the UNLU provided a governing institution, albeit informal, which assured some form of social control and law. With the March 1990 arrest of the last UNLU elected leadership, well-known UNLU Insider political personalities were compelled to the foreground to continue, or rather to direct, writing articles and bayanat. It soon became public knowledge that these political personalities were involved from the conception of the UNLU filling in the gap between the arrest of one group of ‘leadership’ and the construction of a replacement. These political personalities, with significant leadership, such as Ghassan Khatib (PCP/PPP), Zahira Kamal (DFLP), Hani Bayadun (PFLP), Faisal al-Husseini (Fatah), and Sari Nusseibeh (Fatah) amongst others came to change the conception of the leadership composition.

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and tone of the movement. It also became recognised that many of the UNLU leadership were also those who were members of the political committee who participated in the ‘formal’ track in dialogues with international representatives.

Characteristics associated with the leadership of the UNLU, and their credibility, were that they had been politically active during their university years, imprisoned by the occupying regime, and had ties to traditional leadership and hamulas. However, the UNLU and its leadership served in the capacity of a government with an orientation towards a nascent democratic institution. All leaders were voted into office and all had contributed and participated in the political activities and mobilisation of mass participation.

The leadership of the Intifada had sought to incorporate the concept and processes of a democratic state into their potential government. These counter-elites believed the masses to be an integral part of the system and that diffusion of power should be a fundamental aspect of the government. Therefore, under the democratic principle they envisioned, the mass had the right to choose their own leadership and representatives for their particular constituencies. The government that they envisioned, in the form of the UNLU, should have limited power, where individuals and organisations have an important role, and that freedom should be based on individual responsibility and law of the land—action and consequence. The UNLU tried to implement these fundamentals to a democratic government into their formation and function of the UNLU. As such, there existed a nascent form of democratic political culture among the counter-elites whose experience under the occupation propelled them towards the belief that the only way for a government to work was

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through democratic principles where its populace will have freedom of movement and action, within the law of the state, and a voice to express their grievances and actively participate in the decision making process for their future.

Under the ‘auspices’ of the UNLU, several other committees emerged and were set up to serve as part of the governing institution. Although they had their independence to pursue projects and goals, they nevertheless had to adhere to the collective activities and goals organised by the UNLU—a similar approach to the PLO’s organisational structure of a mother-organisation whose umbrella various Palestinian factions were under. The first committee we shall look at is the agricultural committee which initiated a move towards economic independence from Israel and which triggered a backlash of Israeli Military orders and policies to inhibit the progressing nature of Palestinian self-reliance and independence.

AGRICULTURAL COMMITTEES

Agriculture remained a key economic section and thus a power source for the Palestinians in sustaining the resistance movement, substituting for boycotted Israeli products, and mobilising the society towards self-sufficiency. Palestinian society was encouraged to restore its agricultural independence from Israel through disengagement from the regime and initiating community agricultural projects.\(^{293}\) In response, both to extend its own control and to expand its own settlements, Israel pursued policies aimed at discouraging Palestinian agricultural use of the land, limiting agricultural

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development investment.\footnote{Palestinian Agricultural Relief Committees (PARC). \textit{Agricultural Development and the Uprising}. (Jerusalem, May 1988), p. 4} Lending institutions were closed that would otherwise provide service to starving small farmers in need of capital. Access to water was restricted, which limited the productivity of farmers, and agricultural exports were restricted to prevent competition with Israeli products.\footnote{Robinson, G.E. “The Role of the Professional Middle Class in the Mobilization of Palestinian Society,” (May, 1993), p. 312}

The Palestinian Agricultural Relief Committee (PARC), the first agricultural relief committee, was established in 1983 as a response to the subsequent decline of the Palestinian agricultural sector.\footnote{Robinson, G. \textit{Building a Palestinian State}, (1997), p. 54} PARC Director, Khalil Shiha related that PARC’s initial intention was to assist small farmers with financial and educational support.\footnote{Shiha, Khalil. Personal Interview. 28 July, 2008.} It began as a small scale project by concerned agricultural engineers, experienced farmers and veterinary doctors, but soon developed into a full scale functional body providing agricultural relief to Palestinian farmers. Other agricultural relief programmes developed soon after but did not match the scale or influence of PARC. Shiha also pointed out that although various agricultural programmes professed to be non-political in nature, all in fact had political overtones—particularly factional ideology and agenda—which influenced their organisational activities and goals.\footnote{Shiha, Khalil. Personal Interview. 28 July, 2008.} For example, PARC was tied to PCP, the Technical Center for Agricultural Services (TCAS) and the Union of Agricultural Work Committees (UAWC) were PFLP affiliated, and the Union of Palestinian Farmers’ Committees (UPFC) linked itself with DFLP. They all sought the agricultural liberation of Palestine, to create awareness of the link between land and

nationalism, to disengage from the Israeli regime, to empower the Palestinian population, and to usher in social change.  

Animal husbandry and cultivation increased through the help of the relief committees. PARC distributed 500,000 vegetable seedlings in 1989 alone while UAWC distributed 615,000 during the first two years of the Intifada. Rabbit farms were also established by PARC in Bayt Jala and Ramallah and worked with two goat cooperatives, twenty-three chicken egg and twelve rabbits. UAWC on the other hand maintained that they had distributed 28,500 game-hens and 7,200 egg-laying chickens from 1988-89. The relief committees bought chicken and cows from Israel while goats and sheep were bought from local Palestinians. By the second year of the Intifada, animal husbandry increased by 30 percent despite Israeli efforts to prohibit the sale of animals by settlers to Palestinians. In response to this increased self-sufficiency, Israel took extreme and often harsh measures to suppress the movement. The Israeli army confiscated cows that were sold by Israelis to Palestinians. Moreover, the water supply was cut to villages with increased production—as in the village of Salfit - by 50 percent, and the price of barley—which is the main food for stocks—increased by 250 percent. Curfews were also imposed to keep farmers from the land leading to crop and livestock losses, markets were closed leading to spoilage, tens of thousands of trees were uprooted and the land confiscated, the transport of agricultural products was impeded, and farm machinery destroyed. Israeli export companies sabotaged Palestinian produce.

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303 Robinson, G. Building a Palestinian State, (1997), p. 60
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*enroute* to export markets – while in the process of ‘searching’ and opening every produce box the agricultural produce was bruised and damaged which lowered its value.\(^{304}\) Refrigeration systems were also tampered with at export ports, which subsequently ruined produce.

Regardless of these setbacks, the Intifada was a period of growth for Palestinian agriculture. Crop production and animal husbandry increased and expanded dramatically. The decrease in the number of Palestinians working in Israel meant an increase in the labour force in Palestine but also a loss in revenue.\(^{305}\) This led to significant structural changes as society was forced to accommodate new financial and political hardships. Although consumption declined, production rose which lead to a surplus of supply. There was no export market, except through Israel, and the Israelis were unwilling to help the Palestinians ease their situation at their own market’s expense. As a consequence, competition for production within Palestine was high and the value of produce dropped. As production became more costly and farmers had to take on alternative jobs to supplement their living, there was an increased effort towards self-sufficiency and disengagement. It was not a situation which could continue indefinitely and the demands placed increasing pressure on the unity of the factions within the agricultural relief committees. Despite these problems the movement towards self-sufficiency and disengagement had produced not only social and political engagement on all levels in society but also a sense of community consequently challenging the authority of the Israeli regime.

\(^{304}\) Robinson, G. *Building a Palestinian State*, (1997), p. 60

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MEDICAL RELIEF COMMITTEES

Under Israeli occupation, there was an observable decline in health care services in the Palestinian Territories. The Israeli military regime was accused of measures which undermined the health-care system, including heavy taxation of health care establishments, curfews and limitation on the movement of health-care professionals and supplies resulting in understaffed hospitals and lack of provision for patients, closed professional unions, and denial of permits to Palestinian health institutions to expand, build or renew facilities. The deteriorating health care system compelled Palestinians to develop a parallel, informal system of health care provision. In 1979 the Union of Palestinian Medical Relief Committees (UPMRC) was formed. The committee was composed of professional volunteers—mainly from the medical profession. They were recruited from the counter-elites based on their work and education and aimed to provide a nation-wide Palestinian health care system, independent of Israeli control and extending into deprived and rural areas. As such, it bridged the gap between the rural villagers and refugee population and the more professional educated urban class.

Until the mid-1970s, health professionals had come from the traditional notable class and had promoted urban-based medicine practices which were devoted to treating conditions rather than prevention. The new, younger and better educated counter-elites, believed health should be considered in the context of social, economic, political and

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environmental factors. They argued that there was a close link between the conflict with Israel and the health of the population, with the Palestinian health care system being under-developed as a result of the conflict. Health care was thus a ‘political’ and national issue.

The initial work of the UPMRC in rural areas was viewed with suspicion by traditional health communities who labelled them as communists, or accused them of ‘cheapening’ the profession by taking it into the rural villages.\textsuperscript{308} Their suspicion was also raised as women played an increasing and relatively novel role in health care through the UPMRC. Women played an important role in its establishment and there was an overlap between women organisations (PCP affiliated women committees and the Union of Palestinian Working Women’s Committees—UPWWC) and UPMRC. Although women only comprised 6 percent of doctors in the Palestinian territories they made up 32 percent of UPMRC doctors and 70 percent of its employees.\textsuperscript{309} The UPMRC trained local women as paramedics and health workers particularly in rural areas and refugee camps.\textsuperscript{310} It established clinics throughout the territories (17 by the start of the Intifada) and provided over 1000 training sessions where 22,000 people learned the basic skills of first-aid.\textsuperscript{311} This proved vital as the Israeli response to the Intifada involved beatings, firing with teargas, live ammunition and rubber and plastic bullets. With a chronic shortage of hospitals (in Hebron, for example, there was one

\begin{itemize}
\item \textsuperscript{308} Robinson, G.E. “The Role of the Professional Middle Class in the Mobilization of Palestinian Society,” (May, 1993), p. 304
\item \textsuperscript{309} Robinson, G.E. “The Role of the Professional Middle Class in the Mobilization of Palestinian Society,” (May, 1993), p. 304
\item \textsuperscript{310} Rigby, A. “Coping with the “Epidemic of Violence”: The Struggle over Health Care in the Intifada,” (Summer, 1991), p. 88
\item \textsuperscript{311} Robinson, G.E. “The Role of the Professional Middle Class in the Mobilization of Palestinian Society,” (May, 1993), p. 304
\end{itemize}
main hospital to serve 300,000 people while Gaza had three hospitals to serve 650,000), this proved invaluable.\(^{312}\)

The UPMRC was thus an essential component of the Intifada which helped sustain resistance by mobilising the wider population towards self-sufficiency and self-help preventive health care. Its leadership, drawn from the counter-elites, ‘democratised’ health care, by making it inclusive of all sections of the population, by taking it beyond urban areas into the rural villages, by de-mystifying the status of the profession, and by involving women in delivering services more than had been possible before. It also politicised health care, making it a national issue and one which involved the collaboration of all political factions.

**VILLAGE RESISTANCE COMMITTEES**

Another form of grassroots collaboration which brought new leaderships to the fore was the village relief committees, such as that of Bayt Sahur. This village, which was home to a relatively affluent and well educated (predominantly) Christian community, came to be noted for its collective civil-disobedience and relief network during the Intifada. In the early years of the occupation Bayt Sahur had experienced an economic boom. However, the drop in oil prices in the mid 1980s and the downturn in the world economy\(^{313}\) resulted in loss of jobs for skilled workers in the Gulf States. As Palestinian

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\(^{312}\) Rigby, A. “Coping with the “Epidemic of Violence”: The Struggle over Health Care in the Intifada,” (Summer, 1991), p. 90. A survey conducted in the mid-1980s by UPMRC found that many of the health issues in the OPT were treatable and stress-related—many of which were attributed to the Occupation whether by witnessing violence or unable to access health services/resources. There was a high percentage of psychiatric illness, cancer, ulcer, hypertension, vitamin deficiency, asthma, and other infectious diseases.

\(^{313}\) Jabber, P. “Forces of Change in the Middle East,” *Middle East Journal* 42, no. 1 (Winter, 1988), p. 9
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skilled workers returned from the Gulf, remittances declined dramatically. Israeli taxes nonetheless remained high. The population of Bayt Sahur responded to the disproportionate taxation policy with a tax boycott. They also argued that Israel had failed to fulfil its obligation as a government because as policy stood, there was taxation without representation for the Palestinians. An estimated 90 percent of those in Bayt Sahur refused to pay taxes in comparison to the West Bank where only 50 percent boycotted the tax policy.\(^{314}\) Israel reacted to the tax boycott through imposed curfews and restrictions which constrained movement, access to food supply, medical and social services, and education.

In response, Bayt Sahur established a relief committee as a method to counter the hardship faced during the Intifada. Originally a joint effort between Bayt Jala, Bayt Sahur and Bethlehem, it was later confined to Bayt Sahur due to internal disagreements and lack of commitment on the part of the other towns. The relief committee asked the community for a contribution of either a day’s wage or up to 10 percent of a professional’s salary.\(^{315}\) From the donations received, they were able to distribute funds to areas hardest-hit by the Intifada. Bayt Sahur was not only able to set up security and look out points for the community (against curfews, looting and the Israeli military force) through donation of time and skills by former police officers; they also created a resource of teachers for ‘under-ground’ schools since schools and universities were ‘officially’ closed by Israel, and purchased food supplies for the community. The relief committee established underground clinics, and encouraged self-sufficiency through local farming providing fresh produce for families.\(^{316}\) It established a form of ‘welfare’

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\(^{315}\) Robinson, G. *Building a Palestinian State*, (1997), p. 68  
\(^{316}\) Robinson, G. *Building a Palestinian State*, (1997), p. 69
system for the community not only with money they collected from communal contributions but also from donated time, skills and experience of individuals and professionals within their community. A backyard farming initiative known as “The Shed” was set up in Bayt Sahur, providing agricultural ‘education’ and services to its residents as well as the surrounding areas, later to become a successful project funded by the European Community. The Shed provided technical support and advice and also produced and disseminated seeds. The Shed was of significance because it was not affiliated with any relief committee. The Shed purchased supplies, seeds and seedlings, and other agricultural requirements from both Israeli and Palestinian suppliers and then distributed them to the community at a cost. By the second year of the Intifada, the Shed had disseminated over three million seedlings.

The Shed soon faced opposition from other Palestinian relief programmes, in particular the PARC which was the leading agricultural organisation during the Intifada and which was perceived as the informal governmental institution for agriculture. Disputes emerged in which the Shed blamed PARC for attempting to tarnish its reputation through rumours and accusations. Moreover, the Israelis fabricated charges against it, arrested its leader, and imposed routine closures which eventually led to the Shed being dismantled.317 Efforts to provide health care services for the local population were also stymied by Israeli closures of local clinics and health care centres under false charges. The leaders of Bayt Sahur approached a local Greek Catholic convent which held a valid health clinic license but which was not in operation, and with their agreement provided it with staffing and enabled it to reopen. Though they were under Israeli monitoring and subjected to frequent closures, illegal seizures of confidential materials,

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and house arrest of doctors without charges, they were still able to maintain operation and services.\(^{318}\) Bayt Sahur also developed its own mobile clinic.\(^{319}\)

In order to resolve conflicts among the population, Bayt Sahur established a *Sulha* to serve as a legal authority, functioning according to Bedouin law. The *Sulha* meted out judgements and punishments. As this traditional form of community conflict management was expanded to take on new functions, its membership was also expanded to include members of the new counter-elites, having previously been the rights of traditional elites and village elders. The decline in power for the traditional notable elites and disruption to their traditional patrimonial control and influence made them more popularly accountable. The *Sulha* enforced ‘legitimate’ power within the confines of the old social system but with new power relations and structures.\(^{320}\)

Bayt Sahur’s successful movement towards self-sufficiency, governance and disengagement posed a political threat to Israel. Bayt Sahur’s non-violent, effective and highly visible movement posed both an existential crisis and a public relation fiasco for Israel in how they dealt with the situation. The high visibility and political threat derived from the fact that the civil resistance movement was led by well-educated, affluent, and articulate individuals living close to Israel with strong contacts both in Israel and in the international community.\(^{321}\)

\(^{318}\) Robinson, G. *Building a Palestinian State*, (1997), p. 77


\(^{320}\) Robinson, G. *Building a Palestinian State*, (1997), p. 81

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In an interview with Bassam Al-Salhi, Secretary General of the Palestinian People’s Party, he related that although Israel limited and placed obstacles to the development of these relief committees they acknowledged and initially allowed the existence of these committees because they provided social services that they could not provide. Nevertheless, the increasing self-sufficiency, disengagement, and social cohesion of the Palestinians proved more problematic to their authority and legitimacy. The collective efforts in the resistance movement, with each sector’s, faction’s, and village’s strengths and contribution, ushered in a more politically mobilised community with a shared awareness of their situation. It also strengthened and supported the emergence of the new counter-elites who were primarily the activists and organisers of activities and committees in the resistance movement. It also questioned the contribution and role of the PLO in the resistance movement and their ability to consolidate, support and/or control Palestinian leadership, factions and groups. At times the PLO promoted one faction or group above another as a way of asserting its own control, and relations were not always harmonious or easy. But generally they enabled the new counter-elites, themselves drawn from the educated and professional classes, across a wide spectrum of society and sharing a nationalist and democratic approach to political behaviour, to embed themselves fully in grassroots organisations and extend their own relative influence to the detriment of traditional notable elites. The counter-elites drew legitimacy from their leadership of these grassroots organisations and from their participation in the nationalist resistance struggle. As their influence spread, so too did their political culture – one which endorsed popular participation, relied upon an inclusive attitude towards all social groups, and which introduced democratic processes for the popular election and promotion of leaders.

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However, one distinctive group remained, to a degree, outside of these organisations and thus beyond, or at the margins, of PLO influence, themselves introducing a further dimension to the political culture of resistance. The Islamist factions developed in the more restrictive environment of the Gaza Strip. They could neither be labelled as part of the emergent (largely West Bank) counter-elites nor the traditional notable elites.

THE ISLAMIST CHALLENGE

The aftermath of the 1967 Arab humiliating defeat, and in the face of Israel’s policies to deconstruct Palestinian national and political aspirations, gave rise to political Islam which offered an alternative ideological proposition. The Islamist movement did not seek to return to ‘tradition’ but rather was an incorporation of both modernity and tradition. Contrary to the belief that the leadership of the Islamist movement were graduates of conservative religious universities, many of the leadership had received secular educations and a high number had obtained their qualifications from Western universities. In contrast to their colleagues who had received training in religious jurisprudence, these secular-educated Islamist elites were more vocal, confrontational and politically active. Islamism represented a means whereby many of these rising politico-religious elites could voice their concerns. Political Islam’s main attractive feature which gained popular support was that it presented Islam as an alternative to Westernisation, secularism, and materialism which were perceived as threats to Muslim societies. The Islamist movement in the OPT could be traced back to Syrian-born Sheikh Mohammed Izz ad-Dinn al-Qassam who led a military struggle, although short-

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lived, against the British regime and the Zionist movement and was subsequently killed in 1935.\textsuperscript{325} However, the most influential factor for this movement in the OPT can be attributed to the Egyptian founded Muslim Brotherhood where it represented not only a politico-religious schema but also a form of social movement to attend to local needs and grievances not addressed by the regime.

The leadership of the Muslim Brotherhood in the Gaza Strip at this time was mostly composed of upper-middle class merchants and traditional notables who lived in urban areas,\textsuperscript{326} unlike their members who were from poorer, rural, refugee and conservative backgrounds.\textsuperscript{327} They had little interest in challenging their Egyptian rulers directly, enjoying a continued status as elites under their protection. But as a consequence of the Brotherhood’s recruitment process, which drew on the large new impoverished refugee population in Gaza, and inspired by the successful Islamic revolution in Iran, the 1980s saw the emergence of a new middle stratum of laypeople who were more radical and politically active than their leadership. This middle stratum came to challenge the leadership’s policies of acquiescence in the face of post-1967 Israeli occupation. Whereas the old leaders sought to Islamise society first, the new middle stratum defined confronting Israel as the priority and all others secondary. As a result, a powerful splinter group, the Islamic Jihad (\textit{al-Jihad al-Islami}), emerged in the 1980s from the Muslim Brotherhood in the Gaza Strip and proceeded to advocate the idea of a simultaneous Islamisation of society and confrontation against Israel. Islamic Jihad leaders came to believe in the dialectical relation between social (religious) piety and

\textsuperscript{325} Knudsen, A. “Crescent and Sword: The Hamas Enigma,” (2005), p. 1376
\textsuperscript{327} Robinson, G. \textit{Building a Palestinian State}, (1997), p. 145
Though the two concepts appear to be in contradiction, they are two sides of the same coin. They emphasised an interlaced consequential relation between socio-religious piety and political power. As a society ‘purifies’ itself and moves toward the level of piety, God will grant it political power and freedom. The Islamic Jihad argued that this relationship must be fostered and reached simultaneously and that one cannot exist without the other. Although the Islamic Jihadist rhetoric and method of approach against the occupation differed from that of the secular nationalists, they were still able to maintain close ties with Fatah and the PLO due to Islamic Jihad leaders’ former membership in Fatah. Additionally, Fatah financially supported the clandestine Islamic Jihad prior to the Intifada. Therefore, with the onslaught of the Intifada, the Islamic Jihad supported the PLO in their efforts to unify society.

The Israelis had tolerated the Muslim Brotherhood as a means to undermine the power of the PLO. However, the Islamic Jihad rapidly developed into a significant problem for Israel due to their increasing popularity and staged attacks against Israel. In order to halt the attacks and stunt its development, Israel staged ambushes against Islamic Jihad members and expelled and assassinated many of its leaders. With the Intifada, the tension between the old traditional elites of the Muslim Brotherhood and the new, militant and revolutionary Islamic Jihad leaders came to the fore as pressure mounted for the Islamists to contribute to the national efforts of united resistance. Both the Islamic Jihad and the Muslim Brotherhood claimed “to be the authentic leadership of the Muslim community, and both claimed jihad, or struggle, to be a central tenet of

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Nevertheless, the Muslim Brotherhood leadership’s resistance to engaging in the struggle against Israeli occupation could no longer be justified. It was difficult for the leadership of the Muslim Brotherhood to make a drastic shift in their ideological position and consequently a breakaway group emerged, the Harakat al-Muqawima al-Islamiya (HAMAS), Islamic Resistance Movement.

Hamas emerged onto the political scene in January 1988 and advocated an ideological position which the Muslim Brotherhood was reluctant to publicly espouse. By the late 1980s, the Muslim Brotherhood itself had started to recruit young, educated technocrats who were more radical and uncompromising than the traditional Brotherhood old guard. The middle stratum cadres of the Muslim Brotherhood advocated militancy in action against the Israeli regime. It was they who led the new Hamas group. Like the Muslim Brotherhood and the Islamic Jihad, Hamas claimed Palestine as a waqf, an “inseparable whole” which cannot be ceded to, nor divided amongst, non-Muslims. In other words, they believed that no “temporal being” had the right to divide Palestine.

But the uniqueness of Hamas was their merging of a reformist approach (Hassan al-Banna) with Sayyid Qutb’s revolutionary approach which ultimately called for the eradication of political Zionism. Furthermore, Hamas’ ideology was a merger between a nationalist approach and Islam. Hamas became increasingly popular in Palestinian society due to its “down-to-earth simplicity” and its particularity to the Palestinian

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331 Knudsen, A. “Crescent and Sword: The Hamas Enigma,” p. 1378
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context. Moreover, it sought to equate nationalism and Islamism which became an emblem, for them, of the Palestinian ‘cause’.334

With the creation of Hamas, the Muslim Brotherhood embarked on an ideological and political transformation. The emergence of Hamas as a political wing urged the rapid transformation of society by engaging in the struggle through a more militant path, while the mother Muslim Brotherhood retained its fundamental approach of transformation through ‘peaceful’ and ‘legal’ means. Having Hamas’ as a political wing of the Muslim Brotherhood suited both their agendas. Hamas could use the Brotherhood’s resources and legitimacy to gain broader Islamic patronage and in turn the Brotherhood could stake a claim, indirectly, in the success of Hamas. However, if Hamas’ activities proved to be a failure, the Brotherhood could distance itself from Hamas without any danger to their political and ideological position.

It has been argued that Israel encouraged the Islamist groups that emerged in Palestine as a means to counter and undermine the PLO and their activities. However, it can be argued that Israel did not breathe life into Hamas; rather, it nurtured and tilled the ground for its growth. Israel did not perceive an unprecedented threat from Hamas—in part due to its novelty as a young organisation with no substantial track record of activities towards Israel. For example, Israeli television’s Arabic service had previously avoided giving interviews or prominence to Palestinian nationalists during the Uprising. However, it soon heralded the emergence of a new political leadership to challenge the national movement in the OPT, in particular the leadership of the PLO.335

335 Lisa Taraki, The Islamic Resistance Movement in the Palestinian Uprising, p. 30
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Hamas, and to a lesser extent Islamic Jihad, offered a challenge to the PLO in the OPT. Hamas as a counter-elite was similar to their PLO-affiliated counter-elites in challenging the validity of the traditional leadership, and seeking social as well as political structural change. However, in its early years, Hamas differed in its unwillingness to be co-opted under the PLO umbrella, accept the validity of the PLO leadership, recognise the right of Israel to exist, and concession of Palestinian land.\(^{336}\) Hamas offered an equally nationalist political position which endorsed resistance and had mass popular appeal. It drew its leadership from similarly educated sections of the population, and included individuals who were not from the traditional notable elite families and clans. Its modus operandi was similarly democratic, in terms of encouraging mass mobilisation, being inclusive of, and providing welfare support to diverse social and economic groups, advancement on the basis of personal merit, and endorsement of a nationalist political vision. But its Islamist ideology was not inclusive of non-Muslim Palestinian populations, did not offer women similar opportunities or value as did the secular alternatives, and did not aim at the establishment of a democratic political state but one based on Islamic principles and law.

Hamas nonetheless developed a broad popular base as it combined militant anti-Israeli action with a well-developed network of social and economic provision. Its alternative vision challenged that of the secular West Bank based counter-elites, who themselves began to fragment under that pressure, although it was fiercely resisted by secular groups in society who were fearful of its vision of an Islamic state and its resistance to any kind of territorial compromise as a solution to the conflict. Despite its growing

\(^{336}\) Roy, S. “Palestinian Society and Economy: The continued Denial of Possibility,” (Summer, 2001), p. 5. However, Hamas’ political stance towards Israel and relationship with the PLO changed with political moderates’ participation in and eventual victory in the 2006 election.
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popularity, by the end of the Intifada, Hamas neither had the capacity to supplant the PLO’s political hegemony and leadership nor to reach its goal of ‘eliminating’ Israel. By April 1993, the OPT were on the brink of civil war with Hamas’ militant group leading the armed struggle against Israel. The Israeli failure to militarily crush the Intifada and its Insider leadership found an interlocutor (PLO-Tunis) to negotiate on Israel’s terms. This brought about what would become the Oslo Accords.  

THE OSLO ACCORDS

Following the Gulf War of 1990/91, and in the wake of the disintegration of the USSR, the president of the U.S., George Bush, believed a window of opportunity presented itself for a new effort to resolve the Arab-Israeli conflict. A conference was organised and all parties invited. A reluctant Israeli Prime Minister, Yitzhak Shamir, was bullied into attending under threat of U.S. withholding vital loan guarantees which would enable the absorption of new immigrants from the Soviet Union. The Palestinians, who had sustained the Intifada without reaching a successful resolution for the conflict for over three years, were represented by members of the Insider counter-elites. Arafat’s Tunis-based PLO was officially excluded but – deprived of financial and political resources following a poorly judged endorsement of Saddam Hussein during the Gulf War and fearful of becoming a political irrelevance – endorsed the peace conference on condition it could “choose” the Palestinian representatives.

338 Lasensky, S. “Underwriting Peace in the Middle East: U.S. Foreign Policy and the Limits of Economic Inducements,” Middle East Review of International Affairs 6, no. 1 (Mar., 2002), p. 90
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from amongst the Insider counter-elites. This served both Palestinian groups: it maintained the PLO’s and Arafat’s legitimacy as the ultimate voice of the Palestinians, while giving the un-elected representatives from the OPT political cover and legitimacy. The mutual dependence of the two elites was evident, but so too was the ability of the PLO in Tunis to act as a patron to the ‘clients’ of the Palestinian population. In an effort to further unify Palestinian leadership under their control, Hamas was closely courted by the PLO and invited to participate in the PNC’s 20th session in Algiers—in September 1991. However, Hamas refused to be a participant as a result of the PLO’s rejection of their demand for 40 percent of PNC seats.

In October 1991, the Madrid Peace Conference opened in Spain. Invitations had been extended to Lebanon, Syria, Jordan and the Palestinians, as well as Russia, the EU and others. This was the first time that Israel was to hold face-to-face negotiations and ‘talks’ with Palestinian entities, although it refused to have any negotiations with the PLO. However, the PLO handpicked the Palestinian delegation and its own representatives were not only present at the hotel, but also directed and set-out the negotiating scheme for the Palestinian representatives.\(^{340}\) As the conference progressed, what initially began as a land for peace negotiation soon transpired to peace for peace, or security for peace, as Israel sought to unilaterally change the negotiation formula.\(^{341}\) Little progress was made and subsequent U.S.-sponsored talks were held in Washington and elsewhere to continue the negotiations. The negotiations faced repeated delays, setbacks and resistance. Shamir was unwilling to cede anything, preferring to stall the talks in procedural issues. In 1992, Israel’s mass expulsion of key


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Hamas figures had subdued Hamas’ rigid stance such that it eventually agreed to participate in roundtable discussions with the PLO. But Hamas, like the Insider counter-elite, could not agree with the Outsider PLO on the scale and nature of concessions which could or should be made.\(^{342}\) The Insider elites’ delegation team in Washington had their priorities with the “cessation of settlement expansion, defining the legal status of the OPT, the applicability of international law, and the inclusion of Jerusalem in the interim stage.”\(^{343}\) On the other, the PLO leadership was more concerned with the final status issues particularly their established role and authority and re-establishing “the PLO’s international status (with the possibilities for reviving Arab financing which that entailed).”\(^{344}\) However, both Hamas and Insider elites were unaware that even then Arafat was engaged in his own back-channel direct negotiations with Israel. The difference in priority derived from the fact that while the Palestinian delegation team in Washington were conducting negotiations (approved by the PLO leadership) which held them openly accountable to both the Palestinian people and to the PLO as the governing institution, the PLO back-channel negotiations were held in secrecy and were not liable to anyone but the PLO leadership—particularly Arafat (and Abbas who was conducting the negotiations).\(^{345}\) This illustrated a parallel operational nature of the PLO and Arafat’s method of governance where both open formal and closed informal approaches were simultaneously used to gain best results. Whereas the Insiders’ power-base and legitimacy derived from the Palestinian people particularly in the OPT, the PLO (Arafat) did not have such an attachment and did not base (or owe) its legitimacy in the OPT but rather to the diaspora and their funders. It needed to regain legitimacy from Arab neighbours and the international community—not only to

\(^{342}\) The Palestinian People’s Party like Hamas rejected the PLO’s move to return to the negotiating table with Israel and Washington.
\(^{343}\) Khatib, G. *Palestinian Politics and the Middle East Peace Process*, (2010), p. 87
\(^{344}\) Khatib, G. *Palestinian Politics and the Middle East Peace Process*, (2010), p. 87
\(^{345}\) Khatib, G. *Palestinian Politics and the Middle East Peace Process*, (2010), p. 88
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legitimise its position as the sole representatives of the Palestinian people committed to engage in/reach a political solution to the conflict but consequently to regain the very much needed international/Arab financial aid. As such, Arafat realised that promoting a hard-line approach through the open formal negotiation by the Palestinian delegation team in Washington would place the Israelis in a more compromising position to not only deal with the PLO directly but to also be more willing to concede more to PLO demands in the secret informal back-channel talks.

The “Oslo” process was initiated in London by Abu ‘Ala (Ahmad Qurei)—PLO representative to direct the delegation for the London talks, Yair Hirschfelds—Israeli Academic under the ‘informal’ approval of Israel’s Deputy Foreign Minister Yossi Beilin, and Terje Rød Larsen—Director of the Norwegian Institute for Applied Social Science, FAFO. Although Arafat was not informed of the initial ‘unofficial’ meeting between the PLO, Israeli representatives and FAFO, his approval and involvement had to be obtained in order for negotiations to continue. The secret informal talks with the Israeli government began to take place between PLO handpicked Outsider elites, with Abu ‘Ala leading the PLO team, and Israeli negotiating officials in Oslo while the Palestinian (Insider counter-elites) and Israeli teams were simultaneously negotiating in London and Washington. The Insider elites, who were negotiating in Washington and London, were left entirely in the dark until the agreement was reached. The Insider negotiating team—headed by Haydar ‘Abd al-Shaf’i—reacted with anger and rejection of the agreement particularly for being misled by Arafat and being excluded from the negotiations. The Outsider Fatah hawks—particularly Muhammad Jihad and Sakher

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Habash among other leading PLO figures—also reacted to Arafat’s concession as being unnecessary. In addition to their view of Arafat’s negotiating inefficiency, they perceived his method of conducting negotiations as dictatorial, and lacking both political preparation and professional bureaucracy. Many from the Outsider Fatah hawks also objected to the notion of a two-state solution arguing that Arafat conceded what Palestinians could not afford to give away. As Muhammad Jihad stated: “Has there been a leadership in history which ceded four-fifths of its homeland’s territory [the 1948 territory] in addition to abandoning two-thirds of its people, and is now bargaining over the remaining fifth of its homeland [the West Bank and the Gaza Strip]?”

The Oslo Accords—or Declaration of Principles on Interim Self-Government Arrangements - was signed in Washington, D.C. on 13 September 1993. With the signing of the Accords, Fatah relinquished its position as the pre-eminent opposition to Israel, propelling Hamas into this role. For the PLO Outsiders, this was a price worth paying. Although the Intifada did not end the occupation, it had made clear that the status quo was untenable. But the effort of sustaining it could not be maintained, especially in the new international environment in which the PLO itself lacked international support, financial stability and direct control over its own constituency. With the “arrival” of the counter elites in the OPTs, and their new international role at Madrid, the Palestinian political centre was in danger of collapsing. Arafat saw the Oslo Accords as offering salvation: formal recognition and legitimacy for the PLO

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349 Klein, M. “By Conviction, Not by Infliction: The Internal Debate over Reforming the Palestinian Authority,” *Middle East Journal* 57, no. 2 (Spring, 2003), p. 198
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from the international community; a new relevance to the Palestinian masses for whom they had secured peace and an end to occupation; and renewed official endorsement as the official representatives of the Palestinian people. The highjacking of negotiations by the Outsider elites sidelined the Insider counter-elites, restoring the political dominance of the PLO Outsiders.

CONCLUDING REMARKS

The formation and composition of the Palestinian elites differed in each epoch of Palestinian history. The political culture exhibited by elites at each period of conflict differed to some aspect from their elite predecessors and successors as a result of their political socialisation and experiences. From the Ottoman Empire, one observed the emergence of a Palestinian notable elite whose power was based on landownership and who were co-opted by the Porte. In order to maintain their power and status quo, the notable elites co-opted or eliminated competitors, aligned themselves with other powerful elites, and extorted lands from medium and small-scale landowners. They sustained a political culture based on traditional patriarchal values and norms, which utilised patron-client relationships within kinship groups and local communities as the primary form of social organisation. The British occupation period also saw similar co-optation practices by the new administration as with the Ottoman. However, fractures emerged among the notable elites as the British encouraged competition between vying Palestinian elite families them which undermined emerging Palestinian efforts towards national unified resistance.
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In the aftermath of the 1948 Arab-Israeli war, the al-Nakba experience, and the establishment of the State of Israel, the Palestinian notable elite leadership were further fragmented and where the masses were scattered throughout neighbouring countries. The experiences of the masses, however, led to new socialisation processes, including pauperisation, mass education, dispossession, and refugee status, engendering both new, counter-elites and a new political culture. Palestinians experience living under repressive Arab regimes was limited in their political activities and expressions. As a result, they had to practise a clandestine political culture where association, recruitment, and transactions were managed through informal networks and under-the-table activism. Their commitments to social transformation were compromised by the need to placate patrimonial host regimes on the one hand and the necessities of their own opaque structures and organisations on the other.

Efforts by Arab states to regain Palestinian lands was quelled with the embarrassing defeat of the 1967 Arab-Israeli war, where Arab regimes were forced to surrender the mantle of Palestinian representation to the PLO. The PLO incorporated this incongruous combination of an ideological commitment to democratic social transformation with a pragmatic continuation of neo-patrimonial operating methods. Cut off from the people it represented, the leadership was itself un-elected (other than from within its own ranks), and dependent on the financial support of Arab allies which it then used to build its legitimacy through neo-patrimonial forms of patron-client redistribution via its own social welfare networks. It was characterised by top-down, unaccountable leadership and the predominance of informal networks which centred on the personal figure of Arafat.
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Within the OPTs, however, the Israeli military regime had introduced elements of democratic process in the form of municipal and mayoral elections. Rather than being rejected as an alien political system, these were seized upon by counter-elites who were emerging from the necessities of grassroots social activism to support a population whose social and economic structures were totally disrupted by Israeli rule. The counter-elites came to espouse a political culture which was inclusive, engaged the masses in popular participation, rejected tribal, kinship-based or religious divisions in favour of national unity, and endorsed democratic political processes.

These counter-elites established grassroots organisations and committees with elected leaders which substituted official governing institutions. The Intifada witnessed this consolidation of counter-elite and its emergence as a potential rival to the PLO Outsiders for the status of representative leadership of the Palestinian people. Nevertheless, the interdependent relationship of both entities required collaboration rather than competition. The Insider elites considered the Outside leadership the government in exile, while the Outside leadership depended on the Insiders to recruit and mobilise internal popular support. With the signing of the Oslo Accords, Yasser Arafat established the international primacy of the PLO Outsiders and relegated the Insider leadership and elites to a junior and subordinate role. With the Accords paving the way for the PLO to return to Palestinian lands, the stage was set for two elites – with contrasting political cultures – to struggle for the political soul of Palestine.
CHAPTER III:

THE PALESTINIAN AUTHORITY—A WEAK “STATE”

INTRODUCTION

This chapter seeks to establish the extent to which the Palestinian Authority came to resemble a weak state. It examines the structures of the new governing authority within the Occupied Palestinian Territories (OPT) as they evolved through the series of agreements reached between the PLO and Israel after the initial Declaration of Principles. The two subsequent agreements that had the most effect on the institutional and governing structure of the new government, and shall be discussed in more details later, were the Agreement on the Gaza Strip and the Jericho Area, hereinafter the Gaza-Jericho Agreement, signed in Cairo on 4th May 1994 and the Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip, hereinafter the Interim Agreement, signed in Washington D.C. on the 28th September. Both of the agreements were built on the concept of the DOP; however the Interim Agreement came to take precedence over all other previously signed documents/agreements, even the DOP, and set-out the formation of the new government in Palestine, the Palestinian Authority (PA).  

352 Palestinian Authority is often ‘nationalised’ by referring to it as the’ Palestinian National Authority’. However in the DOP and subsequent agreements, it has always been referred to as the Palestinian Authority.
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The chapter examines the institutional lay-out of the new PA, including the relative powers of the legislature, executive and judiciary. It also examines the accompanying institutions of the new political entity, including the security forces, political parties and the processes and mechanisms of elections. The chapter demonstrates that, despite their supposed democratic credentials, the weaknesses of the structures created enabled parallel, informal, structures of power to be established alongside the formal structures, further “weakening” the state-in-waiting. These informal structures centred on the person of Arafat himself, allowing him to operate independently of the formal institutions. The weakness resulted from the lack of sovereign status for the new PA (and the absence of any guarantee that it would ultimately attain sovereignty), and its dependence on the goodwill of, and conformity with, the interests of Israel, and the sponsor of the peace process, the U.S. Under these circumstances, the PA was powerless in its negotiating power, and lacked legitimacy, since satisfying Israeli conditionalities only further compromised the PA’s credibility; as such, alternative modes of constructing regime legitimacy became necessary for the President and head of the PLO. This was achieved through elaboration of informal structures for distributing power and patronage, rather than the formal institutions which might have embedded democratic norms and processes in the Palestinian entity.

OSLO ACCORDS THE MAKING OF A WEAK-STATE

According to international law, an occupying power must maintain the existing legal institutions and substantive laws, and Israel inherited a variety of Ottoman, British, Jordanian, and Egyptian laws across the areas they now governed. These were largely maintained following the 1967 occupation of the Palestinian territories, with Israel
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using an extensive framework of military orders to advance their own interests. No efforts were made to unite either the political or the judicial and legal systems, argued George Bisharat, and the ambiguity created by this incongruency allowed for Israel (and on occasion Palestinian officials) to exploit them to their own advantage. One exception was where Israeli military administration set up military legal courts which usurped the jurisdiction of indigenous court system, marginalising and rendering them ineffective.\(^{353}\) In protest against the imposition of the military court system and the illegality of the occupation, the Palestinian legal profession boycotted the court system. Those who sought to return to practice were ostracised by their fellow protestors. It was not until 1995 that the strike was called off. As a result, argued Bisharat, a whole generation was deprived of mentorship and legal knowledge, a fact which was to serve them ill when it came to negotiating the legal status and institutions of the post-Oslo period.\(^{354}\)

The informal 1993 negotiations that took place in Oslo and the subsequent negotiations that followed highlighted the extent to which the Palestinian negotiators’ were unprepared, passive and lacked a viable strategy.\(^{355}\) The PLO’s financial and political disintegration, and fear of being left out of a possible Arab-Israeli peace treaty, disposed them towards making far-reaching concessions in exchange for recognition by Israel.\(^{356}\) It was sold to the Palestinian population as a major achievement of the resistance movement and the Intifada; and to the Israelis on the ground that they would no longer have to deal with the taxing insurgency. Part of their failure to construct an

\(^{353}\) Bisharat, G.E. “Peace and the Political Imperative of Legal Reform in Palestine,” *Case Western Reserve Journal of International Law* 31, no. 2/3 (Summer/Spring 1999), p. 266

\(^{354}\) Bisharat, G.E. “Peace and the Political Imperative of Legal Reform in Palestine,” (Summer/Spring 1999), pp. 266-267


\(^{356}\) Ma’oz, M. “From Conflict to Peace? Israel’s Relations with Syria and the Palestinians,” *Middle East Journal* 53, no. 3, Special Issue on Israel (Summer, 1999), p. 406
alternative framework and position was attributed to their lack of prior planning, absence of comprehensible and realistic strategic planning, and failure to consult with the legitimate Palestinian Insider leadership, i.e. Insider elites as to the priorities and issues for Palestinians ‘on the ground’.

There was also a lack of parity in power relations between the negotiating parties. The Oslo Process was based on the presupposition that this was an inter-state rather than an inter-group conflict. But the PLO was not a state, and lacked a state’s capacities, leaving the PLO leadership relatively vulnerable and easily manipulated. The signing of the Oslo Agreements under these circumstances set in motion a systematic institutionalisation of practices and functions that encapsulated the making of a weak-state structure. By signing the DOP, the PLO surrendered its role as the main political opponent to Israel. Moreover, it relinquished its political program of calling for a sovereign state, right to self-determination, Jerusalem as its capital, and the refugees’ right of return. Thus, the PLO contributed to maintaining the Israeli settlement policy which would further fragment the OPT. Furthermore, recognition of Israel’s right to exist and their legitimacy brought into question the legitimacy of the Palestinian struggle for self-determination. As such, the DOP appeared to its critics as the antithesis to the national aspiration.

The DOP aimed to ‘end’ the Palestinian-Israeli conflict and to forge a mutual recognition of their political rights and legitimacy where Israel recognised the PLO as the legitimate representative of the Palestinian people and the PLO in turn acknowledged the right of Israel to exist. There was an underlying presumption, but

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never explicit, of the DOP being fashioned upon the Western concept of a liberal democratic state, yet it was not designed to establish permanent governing institutions but rather a transitional entity. A proposed Palestinian Interim Self-Government Authority would be established which would administer the West Bank and Gaza Strip for a transitional period, not exceeding five years from the date of the signing of the Gaza-Jericho Agreement on the 4th of May, 1994. The new provisional government would be administered by PLO officials (as stipulated by Article 6 of the Oslo Accord) during its provisional stage until the presidential election, in which the president would be chosen and national elections for a legislative council. Therefore for the provisional period, the PLO Central Committee (PLOCC) decreed that Arafat would be the president of the provisional PA. The PLOCC also tasked the Palestinian Liberation Organization Executive Committee (PLOEC) to construct a list of who were to be the provisional PA officials during this period. The composition therefore of the PA government and its officials would be ready when the PLO would take office.

The Oslo Accord proposed a five year transitional period within which a permanent settlement or solution based on the UN Security Council Resolutions 242 and 338 would be agreed. In theory, the full transfer of power and authority would have been completed by the end of the five years. The DOP therefore set in motion and defined the ‘role’ and features of the new government—an interim government tasked with setting up necessary institutions and infrastructures. Unlike the broader experiences of

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362 UN Security Council Resolution 242 called for the withdrawal of Israel from the Occupied Palestinian Territories (1967) whereas UN Security Council Resolution 338 called for a seize fire on both sides.
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decolonisation processes elsewhere, the DOP was ambiguous with no defined end result for the institution building. The PLO failed to get inclusion a clear commitment from Israel regarding military withdrawal, an end to settlement expansion, or a confirmation of the right of return. Critics of the Oslo Accords argued that the lack of an unbiased broker (the U.S. being the broker) had given unprecedented power to the already dominant Israeli delegation during the negotiation process.

**AGREEMENT ON THE GAZA STRIP AND THE JERICHO AREA**

On May 4\textsuperscript{th}, 1994, the Gaza-Jericho Agreement was signed in Cairo between the PLO and the State of Israel. According to the agreement, withdrawal of Israeli military forces from the Gaza Strip and Jericho areas was to be completed within three weeks immediately following the signing of the agreement. Concurrently with the withdrawal, Israel was to deploy its “remaining military forces” to the Settlements areas—Gush Katif, Erez, and the Gaza Strip settlements—and Military Installation Areas for external and internal security reasons. On completion of the withdrawal of the Israeli military from the Gaza Strip and Jericho and the transfer of power and responsibilities to the PA, the Israeli Civil Administration was to be dissolved. Under Article III a Joint Civil Affairs and Cooperation committee (hereinafter refer to as the “CAC”) as well as two Joint Regional Civil Affairs Subcommittees, were to be set up for the Gaza Strip and Jericho in order to provide coordination and cooperation between the Israeli administration and the PA in matters relating to civil affairs. Their function was to

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365 Agreement on the Gaza Strip and the Jericho Area--Cairo, May 4, Israel Ministry of Foreign Affairs, (Jerusalem, 1994), Article I and II
366 Agreement on the Gaza Strip and the Jericho Area--Cairo, (May 4, 1994), Article III, paragraph 5
coordinate on day-to-day matters i.e. civil matters such as transfer of powers and responsibilities, Palestinian infrastructure, passage between Gaza and Jericho, day-to-day employment permits, hospitalizations, transportation licensing, transfer of information, joint projects etc.\textsuperscript{367} The Joint Regional Civil Affairs Subcommittees would each deal with the day-to-day civil affairs of their respective areas; however Jericho was to be given the task of coordinating relations between the PA, military government and the Civil Administration in the rest of the West Bank.\textsuperscript{368} The withdrawal of the Israeli Military Government from the Gaza Strip and Jericho Area was aimed at allowing for the establishment, and the transfer of power and responsibilities to the PA with the stipulation that it would still be a necessity to cooperate and coordinate between the new government and the Israeli Administration. These conditions would ingrain the Israeli Administration in every aspect of the Palestinian day-to-day life which would sustain their control and provide up-to-date firsthand knowledge of Palestinian activities. These provisions therefore set up a framework where the functioning of the new government was to be intertwined with the military administration with regards to day-to-day civil affairs. It left no room for genuine independent decision making by the PA.

Article III of the Gaza-Jericho Agreement sets out the processes, infrastructure and where the Palestinian Authority would be located. The offices for the new PA were to be located in Jericho and the Gaza Strip until the creation of a Legislative Council through election as stipulated in the DOP.\textsuperscript{369} The agreement laid the foundation for the structure and composition of the PA in the meantime, whereby it would consist of one

\textsuperscript{367} Agreement on the Gaza Strip and the Jericho Area--Cairo, (May 4, 1994), Annex II
\textsuperscript{368} Agreement on the Gaza Strip and the Jericho Area--Cairo, (May 4, 1994), Annex II, Article 1, Paragraph 2.
\textsuperscript{369} Agreement on the Gaza Strip and the Jericho Area--Cairo, (May 4, 1994), Article III, paragraph 6
body with 24 members and holding responsibility for carrying out all legislative, executive and judicial responsibilities transferred to them under the Gaza-Jericho Agreement.\textsuperscript{370} The PA would inherit departments from the Civil Administration and would have it within its power to create new departments and “subordinate administrative units” necessary for the implementation and execution of its new responsibilities. In other words, the PA was to be given the authority to determine its own internal procedures. Nevertheless, they would still have to coordinate with the Israeli administration regarding infrastructure and day-to-day civil affairs. The PA would be given territorial jurisdiction over the Gaza Strip and Jericho Area (with the exception of Settlements and Military Installation Area), functional jurisdiction (excluding foreign relations, internal security and public order of Settlements, Military Installation Area, Israelis and external security), and personal jurisdiction.\textsuperscript{371}

The Agreement also set out and defined the powers and responsibilities of, as well as limitation for, the Palestinian Authority. The PA was to have legislative, executive and judicial power, with an emphasis on the separation of powers where justice would (should) be administered through an independent judiciary. The PA would be given many of the powers and functions of a state, \textit{inter alia}, keeping population statistics/census, issuing licences and documents, establishing departments, authorities and institutions, formulating and implementing policies and employing staff. However, the agreement prohibited the PA from engaging in the area of foreign relations as in the establishment of consulates or embassies, having diplomatic posts or dealings abroad.\textsuperscript{372} Neither were foreign embassies, consulates or missions allowed to be established in the Gaza Strip or Jericho. However, the PA was to be allowed to conduct

\textsuperscript{370} Agreement on the Gaza Strip and the Jericho Area--Cairo, (May 4, 1994), Article IV
\textsuperscript{371} Agreement on the Gaza Strip and the Jericho Area--Cairo, (May 4, 1994), Article V
\textsuperscript{372} This exclusion from the sphere of foreign relation was also noted in the DOP.
negotiations and sign agreements with other states and international organisations only on the condition that they were economic agreements, regard the provision of assistance to the PA, implementation of regional development plans, agreements that would enter into the “framework of the multilateral negotiations,” or agreements that provided culture, scientific and educational enhancement. This would be the only instance in which the foreign state or international organisation could establish a “representative office” in the Gaza Strip and Jericho Area.\(^{373}\) Furthermore the Agreement gave Israel control over the external and (some) internal security of the territories. Israel would have control over the Egyptians and Jordanian borders with Gaza and the West Bank, respectively. With the exception of crossings into Israel, there would only be two main exits for Palestinians: the Raffah crossing from Gaza into Egypt and the Allenby Bridge Crossing from the West Bank into Jordan. In addition, the Agreement would grant Israel absolute power to take any necessary step in order to provide and ensure internal security and public order for Israelis and the Settlements.\(^{374}\) However, it would provide the PA with the power to establish a Palestinian Police force that would be responsible for the Palestinians’ internal security in the Gaza and Jericho Areas, with the exception of specified locations agreed upon in the Agreement. The PA would not be allowed to establish an armed force, nor manufacture or import any arms or ammunitions. Military force, which is a given right of states, was to be solely Israel’s right and responsibility, Israel also being responsible for the provision of ammunition, arms and equipment for the Palestinians.\(^{375}\)

Article XII asserted that both Israel and the PA were to abstain from incitement or hostile propaganda against the other. Each would be expected to take \textit{legal measures} in

\(^{373}\) Agreement on the Gaza Strip and the Jericho Area--Cairo, (May 4, 1994), Article VI  
\(^{374}\) Agreement on the Gaza Strip and the Jericho Area--Cairo, (May 4, 1994), Article VIII  
\(^{375}\) Agreement on the Gaza Strip and the Jericho Area--Cairo, (May 4, 1994), Article IX
order to “prevent such incitement by any organizations, groups or individuals within their jurisdiction” which would inhibit their freedom of expression. Further, the PA was expected to cooperate with Israel in combating criminal activities, *inter alia*, offenses against properties and vehicles. Article XIV emphasised the importance of human rights and the Rule of Law, and the responsibility of both parties to uphold “internationally-accepted norms and principles.” Nonetheless, Israel and the PA were given the authorization to “take all measures necessary in order to prevent acts of terrorism, crime and hostilities directed against each other, against individuals falling under the other’s authority and against their property,…[moreover to]… take legal measures against offenders. The PA would take all measures necessary to prevent hostile acts against the Settlements and the Military Installation Area. In like manner, the Israeli administration would also assure that the Israeli Settlements do not pursue hostile undertakings against Palestinians.

The significance of the Gaza-Jericho Agreement is that it designed the foundations for the functions, duties, and limitations of power for the PA. Although it gave some power to the PA, it nevertheless retained complete control for Israel to oversee, revoke, or approve any PA decisions which they felt were a threat to the security of Israel and its citizens. Although these provisions under the Gaza-Jericho Agreement provided the PA with some form of ‘authority’ over internal affairs, this was limited to periphery affairs which would not threaten the Israeli interests. The important sovereign powers such as those regarding foreign affairs, diplomacy, external security and border control as well as affairs relating to the settlement and military areas inside the West Bank, were reserved for the Israeli administration. Indeed, the Gaza-Jericho Agreement linked

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376 Agreement on the Gaza Strip and the Jericho Area--Cairo, (May 4, 1994), Article XII
377 Agreement on the Gaza Strip and the Jericho Area--Cairo, (May 4, 1994), Article XIV
378 Agreement on the Gaza Strip and the Jericho Area--Cairo, (May 4, 1994), Article XVIII
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every aspect of the PA’s own security to that of the Israeli administration. The PA was unable to develop its own external security apparatus and was thus dependent on Israeli military force for ‘protection’ from outside penetration. Even in exercising its authority over ‘internal’ Palestinian security, it was dependent on co-ordination with, and supplied from, Israel.

In sum, the Agreements allowed the PA certain degrees of ‘autonomy’ but only within the confines of, and defined by, Israel’s own security and interests. The ultimate ‘weakness’ of the new PA entity was clear – it lacked sovereignty and was dependent on, and constrained by, Israel. Whilst the DOP suggested this was a temporary state of affairs, without a clearly established end-game, which included sovereign state status, the PA would always have a question mark hanging over it, both in terms of legitimacy for its own people, and its capacity to deliver an ultimately satisfactory territorial settlement for them.

THE INTERIM AGREEMENT ON THE WEST BANK AND THE GAZA STRIP

Signed on the 24th of September 1995 in Taba, Egypt and endorsed four days later in Washington D.C., the Israeli-Palestinian Interim Agreement on the West Bank (formerly Jericho Area) and the Gaza Strip, also known as Oslo II, became the primary vehicle for establishing the subsequent final status negotiations. The interim self-government was only one part of the peace process outlined in Oslo II – the other was a commitment to negotiations on permanent status which would conclude with the implementation of Security Council Resolutions 242 and 338. But, it soon became apparent that the definition for “peace” as prescribed in the Interim Agreement would
be based upon “unconditional security for the Israelis and conditional security for the Palestinians.” This term of ‘conditionality’ would later have ramifications on the nature and structure of PA political institutions and reaching a final status on the basis of the UN’s territorial determinations.

Despite the conditional tone introduced into the Interim Agreement, it provided for the rights of Palestinians to hold “free and general political elections.” In stressing the need to establish Palestinian institutions with democratically elected representatives, observers were hopeful that the foundations of a democratic state were being laid. The elections would therefore be a preparatory phase in which Palestinian rights were to be recognised and a democratic basis for the establishment of Palestinian institutions. As such, the agreement set the tone for the PA political structure, its role and function.

Chapter I of the Interim Agreement called for the transfer of power to the “Council” (Palestinian Authority) following its inauguration whereby the Israeli Civil Administration in the West Bank would be dissolved and the Israeli military government withdrawn. The PA would assume all powers and responsibilities with the exception of pertinent “powers and responsibilities” which shall be reserved for, and exercised by, only the Israeli military government. The transfer of power to a Palestinian police force would be in phases. In addition to the Gaza-Jericho Agreement’s proposal for the CAC and the Joint Regional Civil Affairs Subcommittees for the Gaza Strip and West Bank, the Interim Agreement called for District Civil Liaison Offices to be set up in the West Bank. These offices would provide

380 Jerusalem Media & Communication Centre. Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip. Peace Agreement. (28 September, 1995), Preamble
“coordination and cooperation in civil affairs between the council and Israel…”\textsuperscript{381} whereby Israel would still be directly involved and engaged in the civil affairs of the territories under the PA.

\textbf{THE ARRANGEMENT OF AREAS A, B, AND C}

As the Agreement progressed, however, its positive attributes began to give way to a clear imposition of Israel’s security interests over the sovereign possibilities for the PA. Although the DOP had agreed on a temporary administrative partition of the OPT into three zones, Areas A, B, and C, the Interim Agreement provided the specification for the zoning which would serve as a security arrangement for ‘both’ Palestinians and Israelis. Area A, comprised of the major Palestinian cities, was granted full autonomy under the Palestinian Authority’s jurisdiction with the exception of routes and vicinities important to Jewish holy sites, Joseph’s Tomb in Nablus and Shalom al Israel synagogue in Jericho\textsuperscript{382}, to be manned by Joint mobile units (both Israeli and Palestinian security). Area B in contrast was made up mostly of the rural communities and therefore would have a complete redeployment of Israeli military forces. Yet, the Palestinian Authority would only be granted partial autonomy over civil administration and control over public orders for Palestinians while Israel had principal control over security for “protecting Israelis and confronting the threat of terrorism.”\textsuperscript{383} Area C, classified as the largest area, which constituted approximately 62 percent of the West

\footnotesize{\textsuperscript{381} Jerusalem Media & Communication Centre. \textit{Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip.} Peace Agreement. (28 September, 1995), Chapter 1-The Council, Article 1
\textsuperscript{382} Jerusalem Media & Communication Centre. \textit{Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip.} Peace Agreement. (28 September, 1995), Appendix 4.
\textsuperscript{383} Jerusalem Media & Communication Centre. \textit{Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip.} Peace Agreement. (28 September, 1995), Article V, p. 37}
Bank, would be under the full control of Israel.\footnote{United Nations Office for the Coordination of Humanitarian Affairs. “Area C Humanitarian Response Plan Fact Sheet,” \textit{Occupied Palestinian Territory}, (August 2010) \url{http://www.ochaopt.org/documents/ocha_opt_area_c_humanitarian_response_plan_fact_sheet_2010_09_03_english.pdf}, (accessed December 10, 2010), p. 1} Area C was of particular importance to Israel because it contained major Israeli settlements and natural resources, i.e., the main water sources and aquifers for both Israel and the OPT, and agricultural lands for Palestinians living in Areas A and B.\footnote{United Nations Office for the Coordination of Humanitarian Affairs. “Area C Humanitarian Response Plan Fact Sheet,” \textit{Occupied Palestinian Territory}, (August 2010) \url{http://www.ochaopt.org/documents/ocha_opt_area_c_humanitarian_response_plan_fact_sheet_2010_09_03_english.pdf}, (accessed December 10, 2010), p. 1} Of the four main water aquifers which supplies water to Israel and the OPT—with the exception of the Mountain Aquifer which runs along the border between Israel and the OPT, the remaining three water aquifers are situated entirely in the West Bank. The water reserve from these three aquifers was largely earmarked for Israeli consumption. The Western Aquifer (primary supplier of water) had 95 percent of its water extracted by Israel, the Northern Aquifer with 70 percent, and the Eastern Aquifer by 37 percent mainly by settlers.\footnote{Palestine Monitor, “Water,” December 18, 2008, \url{http://www.palestinemonitor.org/?p=225} (accessed December 10, 2010).} The division of the OPT into ‘Areas’ and the ambiguity of the partition agreement allowed for re-interpretation, particularly for resource rich and settlement populated Area C. Israel’s assertion of complete control over Area C was a strategic gain for them and a costly concession for the Palestinians.

The Agreement proposed Israeli redeployments to take place in three phases from Areas A, B and C. The transfer of internal security to the Palestinian police would similarly be conducted within three phases, with an ‘interval’ of six months between them, and completed within 18 months, with exceptions being made where they involved “issues of permanent status negotiations and of Israel’s overriding...
CHAPTER III: THE PALESTINIAN AUTHORITY—A WEAK “STATE”

responsibility for Israelis and borders." Redeployment would be subject to revision, i.e. assess the situation whether to re-evaluate or proceed to the next phase, only after six months following the completion of the first phase of redeployment. This of course made implementation of the Agreements conditional, allowing for what could become perpetual postponements on important issues.

The Interim Agreement also established clear restrictions and demands on the ability and role of the PA which was often in contradiction to each other thus infusing the agreement with ambiguity which could be reinterpreted. While on the one hand the undertone of the Interim Agreement implied an empowerment of the PA by providing them with ‘symbolic’, though limited, governance within the OPT as they proceeded towards a permanent status; on the other hand pertinent responsibilities and power necessary for the PA to conduct its function as an interim-governing body over the OPT were either given to, or remained with, the Israeli military government. The ambiguities in the Agreement also affected other structures of the new government, which was designed by both the PLO and Israel, particularly the composition, allocation and separation of powers within the new Palestinian Authority.

PALESTINIAN COUNCIL

The Interim Agreement set out the structure of the new Palestinian Interim Self-Government Authority where the Palestinian Council would be elected by Palestinian residents of the West Bank, Gaza Strip and Jerusalem. The Council would be composed of 82 elected representatives, presided over by the Ra’is (President) of the Executive

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CHAPTER III: THE PALESTINIAN AUTHORITY—A WEAK “STATE”

Authority. The Council of the PA would also have a committee which would exercise Executive Authority over the Council as well as determining “internal procedures” and the “decision making process.” The election for the Council and the Ra‘is of the Executive Authority of the Council would be held simultaneously.388

Of most importance to the structure of the PA was the formulation of the power of the Speaker of the Council. According to the Interim Agreement, upon the Council’s inauguration, a Speaker would be directly elected by the Council to administer and to preside over the affairs and meetings of the Council. Moreover the Speaker would be expected to introduce proposals for Council voting and to disclose those outcomes. He or she would also present, for the Council’s approval, internal formal procedures for regulating voting, decision making process and so forth. The function of the Council and its subsidiaries, their internal procedures and regulations would be governed by the principles established under the Interim Agreement as well as according to the Basic Law to be created specifically for the Palestinian Interim Self-Government Authority (and the law to be adopted by the Council). However, the Basic Law should not be in contradiction to the provisions under the Interim Agreement.389

Although the PA was given authority over certain internal procedures, their power was limited and defined by the Interim Agreement. It granted the PA the right to formulate and implement policies, draw up and sign contracts, and employ staff necessary for the “realization of Palestinian self-government”. Nevertheless, the Agreement maintained the same inclination of restriction as had the DOP and Gaza-Jericho Agreement, with

388 Jerusalem Media & Communication Centre. Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip. Peace Agreement. (28 September, 1995), Chapter 1, Article III, paragraph 3
389 Jerusalem Media & Communication Centre. Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip. Peace Agreement. (28 September, 1995), Chapter 1, Article III
the PA restricted from establishing foreign relations i.e. embassies, consulates or any other form of diplomatic staff or establishment abroad. Exceptions that were permitted under the DOP and Gaza-Jericho Agreement also applied where the PA was granted power to conduct and conclude negotiations with foreign states and international donors/organisations however only in areas where it would provide economic, cultural, educational assistance, as well as contribute to regional development plans and multilateral negotiations. 390

EXECUTIVE AUTHORITY

According to the Interim Agreement, the PA would have a committee to implement executive power i.e. the Executive Authority. The Raʾis, or President that would head this Executive Authority would be elected by the Palestinian people concurrently with the election of Council members and would be an ex-officio member of the Executive Authority. 391 The Raʾis of the Executive Authority was given the authority to appoint non-council members—not to exceed twenty percent of the total members of the Executive Authority—to the Executive Council. 392 However, all members of the Executive Authority were to be members of the Council, chosen and proposed by the Raʾis of the Executive Authority, and approved by the Council. Thus the composition of the Executive Authority would be the Raʾis—highest official in the PA—and the Council of Ministers, appointed by the Raʾis.

390 Jerusalem Media & Communication Centre. Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip. Peace Agreement. (28 September, 1995), Chapter 1, Article IX  
391 Jerusalem Media & Communication Centre. Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip. Peace Agreement. (28 September, 1995), Chapter 1, Article V  
392 Jerusalem Media & Communication Centre. Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip. Peace Agreement. (28 September, 1995), Article V
In order to prevent the Executive Authority from abusing their position, a system of checks and balances was introduced with the Interim Agreement where the Executive Authority would be “monitored” by the Legislative Council. Moreover, the executive power granted to the Executive Authority was specifically to “act on behalf of the Council” and not as a higher office to govern over the legislative or judiciary power. The design of the different offices allocated specific duties and responsibilities to each which provide space for independent decision making and action. By providing each of these offices with their own duties and responsibilities served as a check and balance system.

**LEGISLATIVE**

The PA was given legislative power within its jurisdiction to “promulgate legislation including basic laws, laws, regulations and other legislative acts.” The Palestinian Legislative Council (PLC), as it came to be known, did not take precedence over the Executive Authority: however it did serve to monitor and balance the work and power of the Executive Office through its legislation, regulations and laws. Nevertheless, any promulgated legislation by the PLC would first have to be submitted to a CAC Legislation Subcommittee where they would decide, by request from Israel, whether such legislation would be beyond the jurisdiction of the PA or in conflict with the condition of the Agreement. If the Legislation Subcommittee would be unable to reach a decision within 15 days after the submission of the legislation, the proposed legislation would therefore be referred to a board of review consisting of judges from

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394 Jerusalem Media & Communication Centre. *Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip. Peace Agreement.* (28 September, 1995), Article V  
395 *Agreement on the Gaza Strip and the Jericho Area--Cairo,* (May 4, 1994), Article VII
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the OPT and Israel who would then compose a “written informal rules of procedure.” Legislation would only take effect if the board of review decide that it did not infringe on Israel’s security. Furthermore, Israeli laws and military orders—in effect in the Gaza Strip and Jericho Area before the signing of the Agreement—would still be enforced unless otherwise specified or amended in the Agreement. Although the ultimate legislative power rested with the Palestinian Authority, the Ra’is of the Executive Authority was given authority to initiate or propose legislation to the Palestinian Authority, promulgate legislation approved by the Council, and issue secondary or regulate legislation adopted by the Council. This would provide a check and balance on the legislative power of the Palestinian Authority, to be regulated by the Ra’is of the Executive Authority. Conversely, this gave power to the Ra’is of the Executive Authority which would later have far reaching implications for the PLC and the Judiciary.

JUDICIARY

The Judicial system created under the new PA was considered by many to be the weakest area of the government. Established to be an independent entity with independent Palestinian courts and tribunals, the Palestinian judicial system failed to have the autonomy it needed to be impartial. The formulated Palestinian Judiciary system was envisioned to have independent judges and courts of various types and levels. Judges’ appointment, dismissal, questioning and promotion were to be as prescribed under the law and based on merits. Moreover, the Interim Agreement

396 Agreement on the Gaza Strip and the Jericho Area—Cairo, (May 4, 1994), Article VII
397 Jerusalem Media & Communication Centre. Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip. Peace Agreement. (28 September, 1995), Article XVIII, paragraph 3
398 Jerusalem Media & Communication Centre. Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip. Peace Agreement. (28 September, 1995), Chapter 1, Article IX
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provided clauses where if any organisations or individuals are affected by the decision of the Ra’is of the Executive Authority, members of the Executive Authority or the Council, or believe that their actions exceed their authority under the law, they can apply to the relevant Palestinian Judicial court for review of those actions.399

The judiciary was to serve as regulators, moderators, objective judges, and implementers of the law. Thereby, it was neither subordinate to nor required to answer to any authority other than the law itself. As envisioned by architects of the new Palestinian Basic Law “Judges shall be independent, and shall not be subject to any authority other than the authority of law while exercising their duties. No other authority may interfere with the judiciary or with the exercise of justice.”400 It was thus intended to serve as a check and balance between the Executive Authority and the Legislative Council.

However, in praxis, what eventually emerged were two variant judicial systems in the Gaza Strip and the West Bank reflecting their differential pre-existing legal status and bodies of law deriving from the Israeli, Jordanian, Egyptian, British and Ottoman laws. As a result the Palestinian judicial system exhibited a contradictory system of rules and laws, which collectively blurred the areas between its own role and function and those of the Executive Authority. The incongruency in the laws created a fertile ground for corruption and the use of informal structures in order to bridge the differences between the two. The judicial system became a subject of much discussion for its lack of transparency, judicial independence, and susceptibility to outside influence and

399 Jerusalem Media & Communication Centre. Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip. Peace Agreement. (28 September, 1995), Chapter 1, Article 8
400 Jerusalem Media & Communication Centre. The Palestinian National Authority. (Jerusalem, 1997), Chapter 5: The Judicial Branch, Article 89
authority, particularly from the office of the Executive Authority. Moreover, the judicial system under the stipulation of the Interim Agreement was subject to Israeli policies and military court orders which also subordinated the Palestinian judicial system to Israeli security interests. Thus in due course, the intended ‘democratic’, and independent Palestinian judicial system became an object of manipulation for those in power.

The Interim Agreement therefore had both benefits and drawbacks for the new PA. On the one hand, it seemed to explicitly endorse the notion of democratic state-building through its stipulation of elected institutions, separation of powers, independent offices, and an established system of checks and balances. On the other hand, it reflected the superior negotiating power of Israel in the limitations and constraints that it put on the development of the structure and authority of the PA which might have amounted to Palestinian sovereignty, and its subordination of every aspect of the PA’s function (from its territorial jurisdiction, joint-liaison, to day-to-day management) to Israel’s own security interests. Established Israeli military orders were the default position for the legal system, and joint committees reviewed all new legislation before it could be approved. Thus far from being a clear preparation for statehood, the PA represented a governing body to administer Israeli regulations in the OPT with no clear end in sight for a permanent solution other than a time-line within which it should be determined.

Whatever “strength” the new PA was to have, it would be undermined by the “weakness” which was embedded in the system through the absence of sovereignty, dependence on Israeli good will, subordination to Israeli security (and other) interests, and a muddled and incongruous legal framework to underpin the checks-and-balances supposedly established in the institutional arrangements.
THE STRUCTURE OF SECURITY FORCES—DIVIDE AND RULE TACTICS

Nowhere was this contradiction more evident than in the devolution of internal security from the Israeli administration to the PA. The Oslo Accord gave the PA unequivocal power to establish a “strong police force.” At the same time, it subordinated the power and autonomy of the PA through obligated cooperation between the PA and the Israeli security forces and strict limitations on the PA security forces’ competence.\(^\text{401}\) The Gaza-Jericho agreement established a Palestinian Police Force; while the Interim Agreement (Article IV) defined the role and function of the Palestinian Police Force, also known as the General Security Services (GSS). It was to be divided into six sections: Civil Police, Public Security, Preventive Security, Presidential Security (\textit{Amn Al Ri’asah}), and the Intelligence and Emergency Services and Rescue (\textit{Al-Difa’a Al Madani}). The Palestinian Police Force established under the Agreements would provide internal security, social order, intelligence, internal border control and many other services but would not have a military-defence capacity. However, authority over external security and border control for the OPT were reserved for the Israeli military government. Although the Gaza-Jericho agreement initially limited their number to 9,000, the Interim Agreement allotted the PA a security force capped at 12,000 personnel.\(^\text{402}\) Besides the Palestinian Police Force and the Israeli military forces, no other military forces were to be established or in operation in the OPT. Moreover, no organisation or individuals were to manufacture, sell, possess or acquire (except that prescribed under the agreement for the police force) any form of weapons, ammunition,

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With these limitations, sets of regulations, and structure prescribed by the agreements, a unique Palestinian Police force was established, one which ultimately came to police on behalf of Israel more than the Palestinians. This was in line with the prescriptions of the agreements that required the PA to detain, prosecute and “systematically act against” any Palestinian expression (or suspected perpetrating acts) of violence and terror, acts which became more prolific as the peace process failed to deliver. In time the police force would become a tool in the hands of the PA as a means to maintain and enforce social order, coerce oppositional and dissident voices, and to gain and sustain its own ‘legitimacy’.

The PA was able to construct and maintain a fully operational police force, though within the limitation of the agreements, within a short period of time because an informal police force was in existence prior to the peace process. The Oslo Accord allowed for the transfer and training of the existing (illicit) PLO revolutionary military police to serve in the capacity of a legitimate police force under the PA. The PLO’s multiple “police” forces, already functional prior to Oslo, had served in different capacities in the diaspora as well as inside the OPT during the Intifada. For instance, the PLO Palestinian Armed Struggle Command (PASC)—the Palestinian military police—had been in existence since 1969 to unite, coordinate, control and keep “order” relations between PLO extensions and organisations under its ‘umbrella’ for the armed-struggle. It also served as a paramilitary body where, in Jordan, it threatened the social cohesiveness of the country and challenged the Jordanian government in its ability to enforce control over the population. Between 1968 and 1970, the PLO police had become a hazard to the Jordanian government, ‘policing’ through kidnaps, arrests,

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403 Jerusalem Media & Communication Centre. *Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip*. Peace Agreement. (28 September, 1995), Article XIV
404 Oslo Accord Annex I Article II
detainments and threats of Jordanian service personnel and soldiers. In response, King Hussein expelled the PLO to Syria and Lebanon between 1970 and 1971. In Lebanon, the PASC reorganised and served in the capacity of a civil police force through the 1970s and 1980s, overseeing the welfare of the Palestinian refugee camps and maintaining discipline among PLO factions. They became a powerful entity, resisting interference from the Lebanese police even to the point of barring access to Lebanese officials entering the camps. Despite being subject to charges of corruption and ill-treatment against PASC guerrilla/police commanders, the PLO depended on them to maintain “order” in its domains.

The PLO also operated an elite Force 17, created in the 1970s to provide security for Arafat and PLO officials. This elite force engaged in clandestine intelligence activities and in the 1980s was foremost in coordinating attacks against Israel and opposing Palestinian groups. Force 17 was in essence an informally run operation, with Arafat retaining control over it through co-optation and by condoning corruption as he sought functional social control and to assure the survival of the PLO and its subsidiaries.

Similar practices were found within the PLO intelligence services. While in Tunis various security breaches in the PLO’s intelligence branch—including the murder of heads of intelligence and discovery of an Israeli informant inside the PLO’s top echelon, led Arafat to reshuffle and reorganise the PLO’s intelligence sector and merge

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405 Lia, B. *A Police Force Without a State*, (2006), p. 34
two of its highest level intelligence agencies, the United Security Agency and the Central Intelligence agency into one agency called the General Intelligence Service (GIS). This Tunis based intelligence agency was to be overseen by Colonel Amin al-Hindi (PLO’s main liaison officer with Western Intelligence agencies), Tariq Abu Rajab and Fakhri Shaffurah. Colonel al-Hindi eventually took over the position of overall director of the intelligence community when the Tunis based PLO returned to Palestine. With the large number of agents under his direction as well as for his many powerful connections with the CIA and other Western intelligence agencies, he became a powerful presence in his own right. The cultures and practices of these various security arms of the PLO, was transferred along with the PLO military police force into the new PA police force under the PA. However, there are some distinctive differences between the PLO police force drawn from the diaspora and those who came from within the OPT themselves.

Firstly, the PLO police who originated from within the OPT drew their roots from the local resistance movement against the Israeli occupation regime (rather than from policing Palestinians abroad or fighting other forces). They were closely linked to the Insider counter-elites and sought to maintain unity among the Palestinian population and as much control over it. Secondly, the formal judicial processes were augmented within the OPTs by tribal and traditional courts, presided over by the community or village elders, where disputes were settled or the accused judged and “sentenced.” The local Insiders in the PLO ‘police’ force had some influence on the traditional court system and its decision making process through its members who were locally born, were student activists or former prisoners, or who were involved with the traditional courts. The Insider PLO police force had come to view themselves as the internal

security of the OPT which was an alternative to Israeli policing. They were the informal ‘social’ enforcers of the law in the absence of a legitimate formal governing entity and, as Brynjar Lia comments, they perceived their existence in the OPT as an entity not to “terrorise people” but rather to “help people.” They did not perceive themselves as outlaws because their laws and rules were based on the PLO Revolutionary Penal Code of 1979. They also enforced the imposition of the death penalty, which was granted by the Revolutionary Penal Code, on individuals who have committed and found guilty of offenses. This ‘informal’ police force did come with its own maladies taking into account that there was no official governing structure to mandate its activities, but it still represented an alternative policing culture from that brought in with the Tunis-based PLO police.

With the preparation for the establishment of the PA, PLO leaders were now faced with restructuring and transforming its paramilitary informal police structure into a formal legitimate law enforcement body. Although the Police Force fell under the Ministry of Interior, the ministry itself was quickly ‘hijacked’ by Arafat who made it his personal responsibility. PLO elite police forces were transplanted onto the new police system. For instance, the former Force 17 was given the new title Presidential Security, al-Amn Al Ri’asah, and was headed by the same officer, Faisal Abu Sharah. Arafat gave individuals who had held leadership positions in the PLO security apparatus similar responsibilities in the new PA, including for example Colonel Amin al-Hindi, Tariq

410 Lia, B. A Police Force Without a State, (2006), p. 52
411 Lia, B. A Police Force Without a State, (2006), p. 60
412 B’Tselem. “Collaborators in the Occupied Territories: Human Rights Abuses and Violations.” Quarterly, (Jerusalem: Jan, 1994). According to the law the convicted has to be found guilty in forty-two offenses for the death penalty to be imposed.
Abu Rajab, Fakhri Shaffurah, Colonel Musa Arafat, Ahmed Qurei, and Muhammad Dahlan.\footnote{413} 

In order to provide some order for the police forces, they were to be consolidated under the GSS, which according to the Oslo Accord should be the highest and only security office. However Arafat created separate and more powerful security organisations under his direct supervision. The two security units that reported directly to Arafat were the Presidential Security (which provided security, counter-terrorism, and tracked anti-opposition activities) and the Special Security Force (SSF), (that monitored and gathered information on opposition groups inside the OPT, conducted internal investigations on other Palestinian security and intelligence units).\footnote{414} Therefore the Palestinian Security Services (PSS) came to be consisted of three units: GSS, SSF, and the Presidential Security.\footnote{415} One security apparatus worth mentioning, although under the rubric of the GSS Civil Police, was the Preventive Security Force (PSF) (al-Amn al-Wiqa‘i)—the PA’s largest intelligence force in operation in the West Bank (under the command of Jibril Rajoub) and Gaza Strip (under Muhammad Dahlan)—responsible for preventive actions against terrorist attacks and opposition groups, and intelligence gathering in Israel. The PSF became a particularly powerful entity with a reputation for human rights violation i.e., torture, violence, abduction of civilians, and torturing to death of detainees.\footnote{416}

\note{413} In Dahlan’s case, even though he was an Insider who was politically active from the inside, he is allocated as an ‘Outsider’ due to his years abroad with Arafat, and his eventual prescription to the Outsider political culture.


\note{415} Luft, G. “The Palestinian Security Services: Between Police and Army,” Middle East Review of International Affairs 3, no. 2 (June, 1999).

\note{416} Luft, G. “The Palestinian Security Services: Between Police and Army,” Middle East Review of International Affairs 3, no. 2 (June, 1999)
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These early manoeuvres by Arafat to superimpose the PLOs diaspora police force onto the new PSS created by the peace process indicated the weakness of the PSS as an institution. Lacking the legitimacy which would come from serving a sovereign state, and lacking the capacity which would come from a professional and democratic culture, the police force became an instrument for Arafat, personally, in his efforts to exert his own control over the OPT. Firstly, by multiplying and expanding the various organisations within the PSS, he could keep the various “strong men” of the PLO in competition with each other for his patronage. But with multiple organisations and intra-rivalry, there soon emerged issues of overlapping duties, a lack of coordination, indistinct jurisdiction, and dysfunctions which weakened the capacity of the police as a national institution. Secondly, given the PA's lack of sovereign authority to enforce law and order demanded by the agreements, Arafat saw the establishment of parallel structures as a way of getting round restrictions. The structure of the PSS met the conditions of the peace agreements; but the units within often functioned autonomously from them: they were above the law. The leeway they were given for their activities derived from the fact that the PA needed legitimacy as the governing body. However, such a freehand approach encouraged clandestine, and often violent, activities causing a backlash effect and de-legitimising the state. This was not unique to the PA but is a common feature of policing in post-colonial environments. As observes Lia, societies that emerge from violent conflicts usually have a blend of formal state function and informal revolutionary-based policing where the informal structure will often have an “ill defined mission, a secretive and fluid organization and weak legitimacy/’collective authorization’.417 Rather than operate as an entity collectively authorised by the society, the security sector often acts independently on behalf of a minority to

417 Lia, B. A Police Force Without a State, (2006), p. 4
‘legitimise’ the group’s status and rule. As a result, what emerged were redundant PSS units competing with each other, at the encouragement of Arafat for his favour.

There were various claims as to the number of agencies under Arafat but due to the clandestine nature of some of the intelligence agencies it was not certain how many of them were in (co) existence. Although the security apparatus under the GSS were to be accountable to the PA, the PSS functioned in a patrimonial fashion where Arafat had direct supervision over several “police” sectors and indirect “management” over all of them, and nearly all reported directly to Arafat. The overblown number of security and police organisations was argued by Arafat to be his only means of preventing Israeli-intelligence penetration and assassination attempts by radical Palestinian groups. Two of the largest police sectors, the Palestinian National Security Forces and the Civilian Police, comprised three-quarters of all salaried police employees. However the Presidential Security/Force-17 was not far behind. In 1994 after the formation of the PA, Palestinian Police employed 10,000 personnel (but did not include the branches and sectors which were secretive and only known to Arafat). By 1995, there were 16,800 employees and two years later in 1997, the number had more than doubled to 42,000 employed police personnel.

Table 1

The Palestinian Police: Legal and Semi-Legal Units, 1994-1997

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<thead>
<tr>
<th></th>
<th>September 1994</th>
<th>January 1995</th>
<th>1997</th>
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<tbody>
<tr>
<td>Civilian Police</td>
<td>2,500</td>
<td>2,600</td>
<td>10,500</td>
</tr>
<tr>
<td>National Security Force (PNSF)</td>
<td>5,000</td>
<td>7,900</td>
<td>15,000-16,500</td>
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<tr>
<td>General Intelligence Service (GIS)</td>
<td>1,000</td>
<td>2,500</td>
<td>3,500</td>
</tr>
<tr>
<td>Emergency Service and Rescue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Civil Defence</td>
<td>500</td>
<td>400</td>
<td>550</td>
</tr>
<tr>
<td>Coastal Police</td>
<td>---</td>
<td>600</td>
<td>1,200</td>
</tr>
<tr>
<td>Semi-Legal police branches</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preventive Security Agency (PSA)</td>
<td>c. 600</td>
<td>c. 1,300-1,800</td>
<td>4,500-5,000</td>
</tr>
<tr>
<td>Presidential Security/Force-17</td>
<td>c. 100</td>
<td>c. 1,000</td>
<td>5,500</td>
</tr>
<tr>
<td>Military Intelligence</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>c. 10,000</strong></td>
<td><strong>c. 16,800</strong></td>
<td><strong>c. 42,000</strong></td>
</tr>
</tbody>
</table>


Due to the political uncertainty in the OPT—and Arafat’s ability to play on this drawback to receive funding from international donors which incidentally fed into the expansion of his patronage network—international donors saw the build-up of the police force as a way to consolidate the new PA (and its legitimacy) and to protect the peace process from its militant critics. The early period therefore of 1993 to 1994 saw the United States funnelling direct assistance for the PA through the Holst Fund via the World Bank to the tune of $36 million USD for economic development, with an additional $5 million USD in cash and equipment to develop and support the Palestine

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420 Fund set up by 46 donor nations who met in Washington D.C on the 1st of October 1993 and pledged support for the new Palestinian government after the signing of the DOP in September 1993. The Holst Fund—named after the Norwegian Foreign Minister, Johan Jorgen Holst, who was vital in the negotiation process—was for international donors to transfer funds to the PA.

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Police Force. External actors’ efforts to train the police in *inter alia* human rights issues, and the democratic process, contributed to building up and sustaining the power of the PA.

In doing so, they endorsed the view that the PA was preparing for democratic statehood. However, the Palestinian Police Force increasingly functioned more as a military force rather than a civilian police force whose objective is to protect its citizens and maintain order. The militarisation of the police force became more apparent as it increasingly identified and silenced ‘enemies’ deriving from the inside i.e. critics, opposition groups. The police apparatus (particularly the security sector) soon gained a reputation for brutality and violence as a means for instilling fear among its own population. In order to teach what Cottam and Marenin identify as “substantive democratic policing” in which police not only, “abide[s] by the norm that the police are subjects to the law, rules, and professional codes and do not act arbitrarily, capriciously, corruptly, or brutally, when they exercise the power to coerce” but also police according to the democratic social interests, political elites must have the ‘will’ to implement accountability in the judicial, political and societal arena. Arafat clearly did not have this political will and thus external financial support was used to prop up numbers rather than to develop the democratic potential of the police as an institution. Instead the security-police force was riddled with patronage, corruption, redundant and competing missions as well as lack of coordination reminiscent of the PLO informal operational structure in the diaspora.

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THE FUNDAMENTALLY WEAK PA INSTITUTIONS

Although the peace agreements were intended to be bilateral agreements between Israel and the PLO, it was Israel which controlled the negotiations due to the weak position of the PLO. Having surrendered to Israel’s key requirements in Oslo, the PLO had little else to offer other than Israeli security. Israel held all the cards in a land-for-peace exchange, and little incentive to concede them. Thus the significance of the peace agreements was less that they marked stages towards a conclusive peace, but that they defined a permanent structure for the PA which assumed basic democratic principles but which denied it the capacity to enact them. What was created was a fundamentally weak state structure with flawed political institutions which lacked sovereignty and the autonomy to act in its own self-interest. The agreements were infused with ambiguity, officially temporary in nature, and had no clearly specified date for the end of the transition period. They lacked clarity about Israel’s responsibilities and the limits to its powers. The PA was structured to foremost assure the security of Israel rather than the needs of its own people. The Oslo Accords linked everything from water, demography, economy, and politics to the question of security (Israeli security). Israel had a monopoly over the interpretation of security. They had the authority to decide which policy would suit or detract from their security. Therefore, Palestinians were allowed certain actions but never the final assessment of actions (whether in the form of policy making, or movement) which would be (un)acceptable for their situation. Most policies, if not all, were with Israeli security in mind. If policies put forth by the Palestinian Legislative Council are contradictory to the security of Israel then assuring Israel’s

426 Ezbidi, Basem. Personal Interview. 3 July, 2008.
security takes precedence, consequently nullifying any Palestinian independent
decision making. All decisions and policies were formulated around Israeli goals and
security and not firstly based on Palestinian needs or security. Basem Ezbidi, a lecturer
of political science from Birzeit University, argued that the “final decision for the
Palestinians was left for the Israelis to determine.”

If the PA failed to provide the
security for Israel, then this would affect the ‘ability’ of the Israeli government to move
forward with the negotiation. It was a carrot-and-stick method of negotiation with Israel
and its U.S. ally dictating the terms.

The agreements gave the PLO an advantage from the start in structuring a state
according to its own interests (and political preferences), enabling a transfer of the PLO
Outsiders’ political cultures and behaviours into, and onto, the PA. All of these factors
weakened the legitimacy of the formal PA governing structures, undermining public
confidence that they could “deliver” the requirements of the Palestinian population,
either in governing or in the peace process itself. The power of the PA was perceived as
being granted and legitimised by its Occupier. The Peace Process “resolved” issues in
certain areas—as in ending decades of confrontation, acknowledging the PLO as a
legitimate entity and the representative of the Palestinian people, recognising the
political rights of the Palestinian and need for security etc—yet doubled the complexity
and rigidity of restrictions in others areas where none previously existed—as in
restrictions in entering Jerusalem and travelling within its own territories inside the
OPT, as well as rapid increase on the number of Israeli checkpoints inside the OPT.

The agreements in essence awarded Israel a carte-blanche to deal with the situation as
they saw fit, and with their own security in mind, whereas the PA could deal only with

the aftermath or consequences of these actions. Moreover, Israeli administration could and did reinterpret the Agreements to establish reasons for not following through with their part of the agreements which often cited PA failures to subdue and/or halt insurgency by factions, opposition groups or individuals. But the PA neither had the authority, power or legitimacy to impose restrictions or stop insurgency from opposition groups in the OPT since its own structures were so fundamentally weakened by the arrangements. Without full authority, independent of Israel, they were not able to exercise power in a way that would be seen by the masses to be legitimate, equal to Israel, and in fulfilment of Palestinian aspirations. Furthermore, with subsequent concession to Israeli demands, the PLO and the PA began to lose even the semblance of independence and free will. Over time, mass support and trust declined resulting in the PA increasingly resorting to either tactics of intimidation and coercion to enforce law and order, or cooptation to gain support, which consequently lead to yet more mistrust and fear. For example in February 1993, the Jerusalem Media and Communication Centre (JMCC) conducted a poll in the West Bank and Gaza Strip on the question of whom they considered the representatives of the Palestinian people. An overwhelming 66 percent of Gaza Strip and 56 percent of the West Bank, believed that the PLO was their legitimate representative. Another poll conducted in September 1993 by JMCC showed that 64 percent of the West Bank and 74.7 percent of the Gaza Strip believed in the peace agreements, particularly as a means to get them out of their situation, and a 64.4 percent of West Bank/Gaza Strip still believed in the PLO’s ability to deliver them. In a January 1994 public opinion poll, 35.9 percent of the Palestinian

population believed in the ability of the PLO to manage the PA in a positive manner.\textsuperscript{430} By July 1994, positive image of the PLO’s (PA) ability to manage of the OPT increased to 52.8 percent.\textsuperscript{431} Moreover, 55.1 percent reacted positively to the return of Arafat and the Palestinian leadership (Outsider). Yet a year later following the PA’s establishment, PA support decreased to 40.5 percent where PA practices were cited as reasons for the decrease in support.\textsuperscript{432} By October 1995, following the Oslo II, PA popularity continued to decrease to 37.1 percent.\textsuperscript{433} The more the democratic institutions of the PA were seen to lack capacity, the more Arafat relied on the informal networks through which he could exert power, his own authority, and his coercive ability to control.

Arafat and his entourage did not consider their tactics in terms of violations of human rights or actions of an authoritarian regime but rather as a means to an end. From the inception of the Interim Authority (PA), Arafat gave preferential positions to the Outsider elites and increasingly transplanted corruption and human rights violation to the territories which ignited the anger of the Insider elite.\textsuperscript{434} As Rabin stated, “We shouldn’t be pressing Arafat on human rights or even corruption.” This argued Ross, stemmed from the fact that the Israelis, U.S. and international community believed that

\textsuperscript{432} Jerusalem Media & Communication Centre. \textit{JMCC Public Opinion Poll No. 7: On Palestinian Attitudes to more than one year of Autonomy.} Public Opinion Poll, Jerusalem: Jerusalem Media & Communication Centre, June, 1995
\textsuperscript{434} Ross, D. \textit{The Missing Peace: The Inside Story of the Fight for Middle East Peace.} (New York, 2004), p. 189
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Arafat was the only person that could control the Palestinians. As such, Israel, the U.S., and the international community did not significantly interfere. Rather, “[t]hey turned a blind eye on Arafat’s tactics.” What was of foremost importance, to external actors, was that the peace process continued. For internal actors, including PLO Outsiders and indeed much of the PA, it was more important to preserve the unity of the new PA and its ‘grip’/control over the Palestinian jurisdictions and people than to question its methods too closely. Moreover, the PA was bound by the legal agreements as well as by its own lack of military and manpower to take on Israel. Furthermore, top officials were ‘rewarded’ with perks and financial deals for their ‘cooperation’ with Israel. Thus distrust of the PA intensified where they were viewed as enforcers of Israeli policies in the OPT and puppets of international demands at the expense of the Palestinian national aspiration. Consequently, the PA realised that if they were to survive as a political entity and to gain legitimacy in the eyes of the Palestinian population and the international community, there would have to be a genuine push for election through the ‘democratic’ process. The PA was not opposed to this idea particularly when opinion polls and international monitors were predicting victory for the Fatah party if elections were to take place.

FLEDGLING PA LEGITIMACY

In its earliest days, and despite reservations from their critics, the DOP and the subsequent agreements created widespread support for Arafat and the PLO in the OPTs. In February 1993, the Jerusalem Media & Communication Centre (JMCC)

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conducted a public opinion poll on the Palestinian Attitude to the Peace Process and the Palestinian Expellees where an overwhelming majority of 58.1 percent stated that they felt the PLO was the representatives of the Palestinian people. A breakdown of the overall percentage showed that 66 percent of Gazans polled were in favour of the PLO versus 56 percent of those polled from the West Bank. \(^{437}\) Although they believed in the PLO as their spokesman and representative, they nevertheless observed the dire need for democratic reform within the PLO where a poll conducted a month prior to the signing of the DOP found an astounding 87.7 percent of Palestinians from both the West Bank and Gaza Strip in favour of reform. \(^{438}\) An overwhelming majority of those polled expressed the belief that the DOP would not only “save them” from their present situation, but would also weaken and delegitimize the occupation and would in due course lead them to a Palestinian state. \(^{439}\)

Following the signing of the Oslo Accord, there was a perceivable increase in Palestinian support for the PLO where a poll conducted by JMCC of the West Bank and Gaza found that overall support increased by 47 percent, with 64 percent believing the PLO would save them from their current situation, 64 percent believing in the Palestinian leadership’s ability to administer Palestinian affairs during the transitional phase, and an overwhelming 72 percent in support of continuing negotiations with Israel. \(^{440}\) Nevertheless, by January 1994, disillusionment with Arafat and the PLO’s lack of progress with the Peace Process had already set in. Support for the PLO


\(^{438}\) (Jerusalem Media & Communication Centre--JMCC August 1993)


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declined by 30 percent and support for the DOP declined by 24 percent.\footnote{Jerusalem Media & Communication Centre. \textit{JMCC Public Opinion Poll No. 4: On Palestinian Attitudes to the PLO-Israeli Agreement}. Public Opinion Poll, Jerusalem: Jerusalem Media & Communication Centre, (January 1994)} By August 1995, in a another poll conducted by the Center for Palestine Research and Studies (CPRS), 60 percent of those polled were disillusioned with the peace process believing that it would not lead to lasting peace.\footnote{Shikaki, K. "The Peace Process, National Reconstruction, and the Transition to Democracy in Palestine." \textit{Journal of Palestine Studies} 25, no. 2 (Winter 1996), p. 7} Palestinians were already calling for reform before the PLO took office. Although many believed that Arafat and the PLO’s\footnote{using interchangeably because they became synonymous Jerusalem Media & Communication Centre. \textit{JMCC Public Opinion Poll No. 4: On Palestinian Attitudes to the PLO-Israeli Agreement}. Public Opinion Poll, Jerusalem: Jerusalem Media & Communication Centre, (January 1994)} negotiation with Israel was individualistic and not based on democratic principles,\footnote{Jerusalem Media & Communication Centre. \textit{JMCC Public Opinion Poll No. 5: On Palestinian Attitudes to the PLO-Israeli Agreement}. Public Opinion Poll, Jerusalem: Jerusalem Media & Communication Centre, (July 1994)} 59 percent of the population still believed in continuing negotiation with Israel even if they would only result in slight changes.\footnote{Shu’aybi, A. and Shikaki, K. "A Window on the Workings of the PA: An Inside View." \textit{Journal of Palestine Studies} 30, no. 1 (Autumn 2000), p. 88} However by October 1995, following the signing of the Interim Agreement, support for Arafat increased, suggesting an improvement in perceptions of his performance, and solidifying support of the PA. However, perception of the PA as a legitimate entity continued to decrease to 37.1 percent.

The rise and fall of public endorsement of, and trust in, Arafat, the PLO and the PA was a result of a tension between the two principal functions of the new governing authority. The provisional government was faced with two tasks; democratic state building and liberating the territories from the occupation regime.\footnote{Shikaki, K. "A Window on the Workings of the PA: An Inside View." \textit{Journal of Palestine Studies} 30, no. 1 (Autumn 2000), p. 88} However, the PA state structure could not accommodate both objectives. Each was pursued to the detriment of the other. Pursuing liberation required collaboration with Israel and the United States in a peace process with uncertain ends and predicated on the primacy of
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Israeli security. Pursuing democratic state-building would threaten this process, unleashing as it would constraints on Arafat’s ability to make concessions and subjecting him to political challenges from within the OPTs. Democratic legitimacy in the short term therefore had to be sacrificed for the longer-term revolutionary objective of the sovereign independence which Arafat was banking on being the outcome of the negotiations process.

The Palestinian Authority elections in January 1996 were therefore a significant event, though fraught with contradictions for Arafat’s PLO. On the one hand they offered the opportunity for the PA as an institution, and for the PLO leadership itself, to win legitimacy through popular election. With this under his belt, Arafat would be able to reassure negotiating partners of his ability to convince and engage the Palestinians with him in the peace process. But the democratic aspects of the electoral process were worrying: While electoral prediction indicated a victory for Fatah, Arafat knew there was significant opposition, not only to the peace process but also to his own style of leadership and to his imposition of Tunis Outsider elites onto the new PA. He therefore needed to assert his own stamp on the ‘democratic’ character of the elections from an early stage.

PARTIES AND ELECTIONS

As prescribed by the Interim Agreements, an election process was seen as a necessary step towards setting up a democratic basis for a self-governing Palestinian entity. On

448 Shikaki, K.” The Palestinian Elections: An Assessment.” (Spring, 1996), p. 17
7th May 1994, the PLO officially took office as the governing officials of the new Palestinian Authority provisional government but conditional on elections subsequently taking place in order to elect the new Palestinian Council members and the Ra’is of the Executive Authority. Therefore the new Palestinian Authority provisional government—composed of PLO Outsider elites—designed an electoral system which suited and reflected their own political agenda. Presidential decrees soon followed to establish the envisioned composition and structure of the PA governing institutions and thereby the PLO governing structure was effectively superimposed on to the new PA governing institution. On 13 December, 1995, the first Presidential decree was issued calling for elections and designating 20 January 1996 as the election date. It also provided a nine-day margin, commencing on the 14th December, during which parties or individuals could submit their candidacy. In a bid to meet the nine-day deadline for open nomination, several factions and parties raced to submit their proposed candidates. Others who were denied their bid for candidacy by their respected party ran as independents.

The announcement of the 1996 election was received both with anticipation and suspicion. On the positive side, the election was perceived of as a preparatory step towards a democratic system—which would differ from that of surrounding Arab countries—and where the leadership would be elected by popular vote. Optimists envisioned a pluralistic political system with a democratic regime while critics argued that the election—or rather the ‘democratic’ process—was being sold as a “remedy for all that has befallen Palestinians.” However, critics argued that the election would neither provide nor accomplish Palestinian goals of an independent state alongside

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Israel. Indeed, the election would define and crystallise the final shape of the Palestinian entity and the status quo of the agreement which would sideline issues concerning Palestinians living under Israeli control.\textsuperscript{451} Furthermore, critics (already conscious of Arafat’s style of rule and the PLO’s patrimonial political culture) asserted that the election was only a political game, which would be manipulated by Israel and the selected few who occupied leadership positions in the new government, thus serving only the interests of a small elite group. The elites’ power in office would be legitimised, establishing an authoritarian state. An elite in such a position and who espouses the practices and political orientation of the new government, would be prepared, by any means, to keep their position and power.

Critics also argued that, from an Israeli perspective, the election would institutionalise the relationship between Israel and the new Palestinian government. The election would limit the Israeli-PLO/PA negotiations to those specific areas and OPT over which the elected PA ruled, to a great extent “negating” any further negotiations for other areas that were already settled by Israel.\textsuperscript{452} Thus the election could officially demarcate a ‘permanent’ boundary for the OPT. It was also important for interest parties (particularly those critical of PA method of practice and governance) pressing for the election that a new leadership would emerge as an alternative to the Palestinian National Council (PNC) of the PLO—where the strongest criticism of the peace process stems from—who will be under the direct control of the Palestinian Authority leadership in direct negotiation with Israel.\textsuperscript{453}

Although the 1972 and 1976 elections in the OPT (under the Israeli administration) had been important events for ‘nationalising’ the Palestinian population, the 1996 election marked the first genuine national elections in the OPT. While the 1972 and 1976 elections were limited to specific cities and villages within the West Bank and Gaza Strip and with the approval and good grace of the Israeli governing military administration; the 1996 election was an inclusive electoral process for Jerusalem, the West Bank and the Gaza Strip. As such, the international community, and interested parties, had their eye on Palestine and the January 1996 election. The PLO negotiators had hopes that a high turnout for the elections would give them legitimacy and strengthen their role when negotiating with Israel on the permanent status of Palestine, Israeli complete withdrawal from the West Bank and the Gaza Strip, and the establishment of a Palestinian state alongside Israel.454 Those who opposed the Oslo Accords argued that the elections would seal the permanency and perhaps to a high degree ‘legitimise’ Israel’s presence in the OPT.

Regardless of opposition, election registration was officially opened on the 19th of December, 1995 a month prior to the election, for candidates running for President of the Authority and Council members. The position for President of the PA was open to any citizen who was at least 35 years old, had the right to vote, and had a minimum of 5,000 sponsors.455 Parties were also encouraged to submit their candidates. The result was an atmosphere of perceived open political space for all parties and candidates. However, irregularities did emerge on the institutional level. Registration was to officially close by 23 December. However Arafat issued Presidential Decree Number 6 which ordered the registration polls in Hebron, Jerusalem, Gaza City and Khan Younis

districts to be kept open until midnight on 31 December. Arafat furthermore amended Law Number 16 which gave the President the right to extend the period specified for nomination. Further misconduct appeared in the form of fixed candidacy. Eligible candidates who submitted their candidacy were struck off the list and replaced with party-chosen candidates (particularly with the Fatah party) who were not as qualified or legitimate in the society. As a result those who were eliminated and excluded from the list ran as independents. For instance, of the 75 individuals on Fatah’s official candidate list, the majority were selected by Arafat and the leading Fatah leadership, with the remainder selected through primaries. Thus it incited critics to question the legality and extent of Arafat’s power and actions, besides its obvious violation of the rules of electoral laws. On the other hand, supporters argued that some of the alternations were necessary measures to overcome the political reality on the ground.

By the closing of the registration, there were 672 candidates competing for 88 seats in the Palestinian Legislative Council, many of which based their legitimacy and qualification on political activities, clan affiliation, and on personal wealth. In total, there were 17 political parties and affiliation represented with the top six being (in accordance to the number of members running for office): Independent—503, Fatah—77, Palestinian People’s Party (former Communists)—26, Popular Struggle Front (new list)—12, FIDA Party (split from Democratic Front)—11, and the Arab Liberation Front (temporary command)—8. The candidates running as independents were

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460 Jerusalem Media & Communication Centre. The Palestinian Council. (Jan., 1998), p. 51. Also see: Ghanem, A. The Palestinian Regime: A "Partial Democracy," (2001), p. 97 Refer to Table 5.3. There was a slight difference between the number/result provided by Ghanem and JMCC however, I have taken the figures from JMCC. It should also be noted that some candidates from the Islamic Jihad and the Islamic Struggle Movement participated in the election.
inclusive of many parties that were not selected by their party (as with Fatah—who encompassed the majority of candidates running as independents), their party was not running officially (as with HAMAS), and others who were either dissidents from their political parties or did not subscribe to any of the political parties.

THE ELECTION RESULTS

Despite the irregularities, 1600 polling stations were opened in the West Bank and Gaza Strip, and voter turnout was estimated at 80 percent for those registered in the West Bank and Gaza Strip. However, only 40 percent of voters participated in Jerusalem due to various measures taken by the Israeli government. For example, the Israeli government only provided five voting sites for the 4,400 East Jerusalem Palestinian residents. Moreover, the Likud party was accused of propagating a fear campaign among Jerusalemites through city-wide notices “threatening Palestinian voters with loss of their Israeli IDs, health and national insurance, and even their right to reside in Jerusalem.” if they participated in the Palestinian election. Even candidates were harassed by the police. One example was of Abu Ala (chief negotiator with the Israelis) who was ordered by the police to move his campaign rally from the football stadium (where it was scheduled to be held) to indoors. Another example was another Fatah candidate Hanan Ashrawi, who was banned from entering the city in her car unless she removed her photo and campaign posters from her vehicle. The dispute that ensued with the soldiers resulted in the arrest of her driver and colleague and the


banning of her car from the city. On the day of the election, complaints were prevalent of Israeli police harassment (and in cases arrests) at voting sites of election monitors, voters, journalists, and exit pollsters. In the OPT, there were also complaints about clear violations of election campaigning laws and of PA officials disregarding the established protocols. There were also allegations of Arafat’s police harassing, intimidating, and arresting journalists, human rights activists, and Palestinian newspapers. There were furthermore numerous complaints of electoral results in primaries being dismissed and pro-Arafat Fatah candidates being summarily awarded the winning result.

In the end, the election results demonstrated the flaws of the new system. For a start, the electoral system was designed to consolidate and reinforce the already prevailing Palestinian Authority and its power base—the Fatah political party. The electoral laws promulgated by presidential decree gave smaller parties little opportunities to capture seats. Therefore smaller parties boycotted the election because they observed that there was no means whereby they could win any seats. The election system was structured as a “Winner Takes All” system where great distortions existed between actual votes and the proportion of seats taken by large well-known parties. The multi-member and majority district system maintained those that were in power and

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sustained disproportional representation. For instance, the candidates running on a Fatah slate who received only 30 percent of the popular vote gained 58 percent of the 88 seats in parliament. On the other hand, Fatah candidates running as independents gained 60 percent of the popular votes but only managed to capture 40 percent of the parliament’s seats.\textsuperscript{469} The PPP also suffered from the electoral system where they did not win any seats despite receiving 7.6 percent of the vote.\textsuperscript{470}

On the presidential front, only two candidates competed for the position. The only challenger to Yasser Arafat’s Fatah was the female political activist Samiha Khalil (DFLP). Arafat emerged as the victor of the race with 87 percent of the vote compared to Khalil’s 10 percent.\textsuperscript{471} No individual could rival Arafat’s stature or match his charisma to pose a significant challenge to him at this point in time. He held a symbolic stature beyond his political office, as the leader of the revolutionary movement, and thus had a remarkable hold over society at large. Moreover, to challenge him at this point would have threatened the unity of the new Palestinian entity and even his detractors were reluctant to do this.

Arafat was thus sworn in as the first president of the Palestine Authority on 12 February 1996 and the Palestinian Legislative Council conducted its inaugural ceremony in Gaza a month later on 7 March.\textsuperscript{472} The new elected officials composed of Arafat as a freestanding president, Ahmad Qurei (a member of the Outsider elite who had been instrumental in the Oslo Accord negotiation) as the newly elected speaker of

\textsuperscript{469} Posusney, M.P. “Behind the Ballot Box: Electoral Engineering in the Arab World,” (Winter, 1998), p. 13
\textsuperscript{471} Jerusalem Media & Communication Centre. \textit{The Palestinian Council}. (Jan., 1998), p. 49
\textsuperscript{472} Al-Khatib, G. \textit{The Impact of the Composition and Behaviour of the Palestinian Leadership on the Outcome of the Madrid and Washington Negotiations 1991-1997}, (Durham, 2007), p. 227
the Palestinian Legislative Council, and ministers selected into Arafat’s cabinet who were, to a high degree, the same leadership from the Outside elites as had dominated the Provisional Government, —with the exception of token Insider counter-elites who were appointed into ministerial positions for strategic interests and for the sake of enhancing legitimacy. As critics of the election argued, Arafat’s method of conducting the election—which was expected to result in his victory by an overwhelming margin—was associated with the way he managed the PLO, “autocratically, arbitrarily, secretively, and without accountability.”

In terms of the Legislative Council elections, the result established Fatah as the dominant force in Palestinian politics. The popular support for Fatah disillusioned many of the aspiring political factions who saw their own opportunities to access power as illusionary. While manipulation of lists, candidacies and results by pro-Arafat elites had played a large part in determining results, so too had the role of traditional family links, suggesting that the democratic possibilities of the new electoral system were not as embedded as many had hoped.

The 1996 election was what political scientists term a “founding election,” in theory a stepping stone towards the establishment of a democratic government. But in practice, holding largely “free” and transparent elections did not guarantee a democratic result because the condition under which the elections were held were constricted by the occupation and Arafat’s manipulation of rules and statutes for the electoral process. Furthermore, even if it did provide a promising “democratic” element, it was already clear that the PLO Outsider elites were not committed to the democratic political

culture which such institutions presupposed. As one critic of the Palestinian Authority administration argued, “democracy requires more than elections.”

A democratic government involves encouraging a “meaningful rotation of power, including the highest office in the land; oversight; separation of powers; the rule of law; respect for human rights; and freedom of assembly, expression, and the press.”

The PA elections had clearly not resulted in a rotation of power: the Palestinian Authority leadership – Arafat’s Executive Council – composition that emerged following the election closely resembled the PLO Outsider leadership hierarchy, and the roles played by individuals within the two, parallel structures were only indistinctly demarcated. The Palestinian Legislative Council, on the other hand, did include counter-elites, including both independent nationalists and Fatah members, with few elected from other factions. The election resulted in Fatah capturing 75 percent of the Palestinian Legislative Council seats. But even here, most of the Fatah individuals in the Legislative Assembly had been handpicked by Arafat and the PLO leadership or at least endorsed by them and manipulation of the voting system meant the Legislative Council as a whole did not represent the proportional voting of the population. Therefore, from the inception of the Palestinian Legislative Council, it was already politically engineered to legitimise and sustain the PLO Outsider leadership in the PA.

In sum, although the procedural principles of democracy had been largely adhered to, if not to the letter in all instances, the substantive aspects were missing for the new

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governing institutions of the PA. Arafat had used the advantages handed to him by the early superimposition of PLO structures onto the Provisional Authority, to weight the “democratic” institutions in favour of his own power-base, thereby undermining that very democracy and, ultimately, the legitimacy of the institutions in the eyes of the wider population. As Arafat proved to be increasingly authoritarian and prone to patrimonial rule (a theme which will be developed in the next chapter), the Legislative Council was ever less able to constrain him.

Yet the election results suited both Israel and the International Community: they appeared to endorse the peace process and more importantly to confirm the status of Arafat, the Palestinian interlocutor in that process. Electoral irregularities were not deemed important in the greater scheme of things, and thus democracy was sacrificed to the continuation of an already flawed peace process.

CONCLUDING REMARKS

The structure of the PA established by the agreements was destined to resemble a weak ‘state’ entity. Rather than creating a PA governing entity with sovereignty and power to make self-interested policies which could establish and sustain its legitimacy, the agreements created a governing body that was dependent financially and politically on outside sources. Moreover, the agreements failed to provide a clear decisive specification for the end of its transition period which would indicate a defined timeline or goal for the creation of perhaps a more permanent and independent political entity with full sovereignty, nurturing insecurities and fear.
The agreements also established a basic contradiction, between democratic institutions on the one hand and an imposed PLO elite with a guaranteed political advantage over opponents on the other. By favouring a patrimonial inclined Outsider elite over the nascent democratic Insider political elite in terms of how the institutions were structured and in what order, the peace process further weakened the formal institutions in support of informal networks and structures. The lines distinguishing the PA and the PLO were progressively blurred, until the PLO was the PA and the PA the PLO. Executive authorities in the PLO were also Executive authorities in the PA, additionally, *inter alia*, members. The 1996 elections legitimised and consolidated the leadership of the PA as comprising virtually the same hierarchy as the PLO leadership. Insider counter-elites were given periphery positions which would not threaten the make-up or goals of the PA leadership from the Outside. Therefore the PA, despite being tasked with applying ‘democratic’ principles to its state building process, conformed to the description of a ‘weak’ state with a propensity for corruption by using the informal network for its political primacy and survival.
CHAPTER IV:

OUTSIDER-INSIDER ELITES STRUGGLE FOR SUPREMACY—IMPACT ON THE POLITICAL CULTURE OF THE PALESTINIAN AUTHORITY

INTRODUCTION

The 1996 election established a new political reality. It also formally crystallised, and perhaps to an extent legitimised, a certain pattern of governance. The election confirmed the status of the Outsider leadership as dominating the political sphere in the Palestinian Authority, and that of the Counter-elite (Insiders) as seeking to constrain this power and wrestle it away from the Outsiders. As such, this struggle for power saw an increasingly centralised government. The new government had two major elite groups composed of Insider counter-elites and the Outsider elites with two distinct and divergent political cultures, identified in Chapter Two. The elite from the Outside espoused an informal and neo-patrimonial political culture while the elites from the Inside (counter-elites) embraced a nascent democratic political culture, often causing conflict in their method of governance.

This chapter will demonstrate the Outsider elites and Insider counter-elites struggle for power. It will show how, in order to balance the political system and to bypass the restrictions and limitations imposed upon his rule by the Oslo Accords and subsequent PA governing structures, Arafat employed a parallel system of governance (an informal structure) to assure that the peace process continued, the PA survived and his
leadership was sustained. The two structures – formal and informal – divided the Outsider elites from the Insider counter-elites in terms of how they dealt with state institutions. On the one hand, the PA formal structures were created by, publicly supported by, Israel, its U.S. ally and the International Community, supposedly in pursuance of a democratic “state” in the making. But so too was the informal structure (operated according to the political culture of the Outsiders) indirectly supported by external actors, particularly Israel and the U.S. Israeli and U.S. public endorsement of Arafat’s leadership and their ‘silent’ endorsement through inaction against his democratic violations and corruption, led to a system of unaccountable, non-transparent and corrupt practices which directly contradicted the supposed objectives of the PA itself.

Throughout intra-elite struggles between the Outsider and Insider elites in the OPT, external actors (Israel and US) can be seen to indirectly supported the informal political culture of the PLO through the endorsement of Arafat, and silent endorsement of his undemocratic PA practices i.e. inaction against human rights violation, corrupt practices etc. While they supported the formal structure of the PA through its institutional relationship with the Israeli government and diplomatic relations with the US, they did so when it suited them and their own interests, notably securing Israeli security, rather than in order to consolidate the PA’s democratic potential. Without firm Israeli and US prioritising of the PA institutions themselves from the beginning of its life, the PA was crippled by weak institutional capacity, the absence of a clear final status of state-hood, and a failing peace process, of all of which called its legitimacy into question for the wider Palestinian population and propelled it further into weakness.
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The function of this chapter is to demonstrate how the incompatible political cultures of the PLO Outsider and the Insider Counter elites were encouraged to compete with each other for primacy, their competition sustained by weak institutions. It will therefore look at the Palestinian political elite from 1996 to 2004. Specifically to identify the early measures taken by Arafat both before and immediately after the 1996 elections. Of interest is to see the development, alliances and struggles between elites within the PA for power and supremacy.

THE PALESTINIAN ELITES

To have a more clear and practical identification of the dominant elite groups in the post-Oslo Palestinian Territories, for the purposes of this thesis the Outsider elites are identified as those mainly from the Outside in the diaspora (with some elites from inside the OPT) who adhered to the neo-patrimonial political culture of Arafat; while Insider counter-elites are those who drew mostly from an inside-experience in the OPT (although inclusive of elites from the Outside who challenged Arafat’s neo-patrimonial rule and governance) and who operated based on a nascent democratic political culture. This distinction has to be qualified, however. Of course, as previously indicated, not all elites from the Outside espoused the neo-patrimonial political culture of the Outsider elites, nor did all elites from the Inside adhere to the nascent political culture. Moreover, the practice of ‘democracy’ in the OPTs was always limited in the Palestinian case, its ‘ideology’ having had no real political history in either the Arab world, Developing world, or even under the British colonial regime which introduced some limited, urban
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democratic institutions. However, as discussed in previous chapters, the Israeli military regime had enabled Palestinian society to participate in limited forms of democratic process—such as university student and local elections. Political parties co-existed, albeit illegally, under the Israeli military administration, which created a politically vibrant environment. The 1987 Intifada had further ‘democratised’ political activities and set up governing institutions through the UNLU and the relief committees. The Insider population had consequently become familiarised and engaged with a greater degree of democratic culture and practice than their Outsider counterparts situated in neighbouring Arab states.

Although Outsider and Insider PLO members were held together by either their shared political ideology, vision for an independent Palestine, or recapturing lost lands from Israel, there was still a distinct political difference—in the manner in which they operated—between the Outsider and Insider membership who subsequently served within the PA. As Cheryl Rubenberg observed of the counter-elites inside the OPT, they were highly educated and experienced with expertise in political leadership to professional proficiency. Moreover they were politically active in the democratic process seeking a more participatory form of government. The Outsider elites, on the other hand, came to adhere to and encouraged neo-patrimonial method of governance which reflected the nature of rule under which they were socialised, and operated, in the diaspora. The establishment of the provisional PA government paved the way for

481 Rubenberg, C.A. The Palestinians: In Search of a Just Peace, (Boulder, 2003), p. 244
democratic elections and it established a collaborative relationship between the two elites; however the 1996 elections eventually marked a juncture for the Palestinians.

Arafat actively sought to merge the two elites, which would provide the Outsider elites legitimacy and bring the Insiders counter-elites into the PA governing structures and more closely under his own authority. If Arafat had hoped to extend his own mode of rule over the new PA, the Insider counter-elites saw this as only a temporary situation, anticipating that the 1996 election would subordinate the PLO and its leadership to the PA’s formal democratic structures. As a result, an observable tension began to emerge between the Outsider elites and the Insider counter-elites.

**EARLY ALIGNMENTS OF THE PA’S OUTSIDER AND INSIDER ELITES**

The Palestinian Insider counter-elites played an important role in challenging, and changing aspects of the status quo and mode of practice within the PA, particularly in its initial formative years as they sought to move towards more democratic governing institution. At the same time, the PA (Arafat) used the parallel system to co-opt and eliminate oppositions particularly the counter-elites who were composed mainly of those who had been involved in, and led, the resistance movement during the Intifada. These Insider counter-elites progressively became inclusive of dissident Outsiders who also adhered to ‘democratic’ norms and were frustrated by Arafat’s increasingly authoritarian style of rule. The counter-elites were embedded in the population, with a
strong internal cohesion between leaders and masses.\textsuperscript{482} They included Insider elites such as Ghassan Al-Khatib, Faisal Al-Husseini, Mamdouh Aker, and Hanan Ashrawi; but also some Outsider Fatah ‘hawks’, such as Muhammad Jihad (a stout opponent of Arafat and a Palestinian Liberalisation Army member), Abbas Zaki (Fatah’s head of operations), Sakher Habash (chief of the Revolutionary Committee and Fatah’s ideological mobilisation department), Rafiq al-Natsha (PLC member and formerly a Central Committee member), and Hani al-Hasan.\textsuperscript{483}

The alignments of the two sides – Outsider and Insider - had become evident during the Madrid Peace Talks as early as 1992 when, even though certain elite figures from the Inside like Ahmad Qurei (Abu ‘Ala), Nabil Sha’ath, Yasser Abed Rabbo and Hassan Asfour, were handpicked by Arafat to lead the negotiations and filled important positions pre-DOP, their personal loyalty to Arafat did not lead them to agree with him on the concessions he made to Israel or on his exclusion of many other significant counter-elite figures. However, they were eventually co-opted to and espoused Arafat’s neo-patrimonial system. Between signing the DOP and the Gaza-Jericho Agreement, negotiations were handled mainly by Outsider individuals hand-picked by Arafat. As Ahmed Qurei explained, in August 1994, Shimon Peres requested a meeting with Arafat where the Israelis presented a proposition of redeployment only to occur every six months. Arafat astonished the Palestinian delegation when he accepted the Israeli position without opposition or further negotiation.\textsuperscript{484} Although the counter-elites did not agree with the methods employed by Arafat during the negotiation periods i.e.,

\textsuperscript{482} Although there were contention among groups and leadership, it was mainly cohesive towards its action against Israel. See: Ghanem, A. \textit{Palestinian Politics After Arafat: A Failed National Movement}, (Bloomington, 2010), p. 5


\textsuperscript{484} Khatib, G. \textit{Palestinian Politics and the Middle East Peace Process}, (2010), p. 109
exclusion and clandestine dealings, they largely supported the peace process itself, perceiving it to be an opportunity through which to realise their vision of an independent state. Thus they were reluctant to upset the process by dividing the Palestinian negotiating position and challenging Arafat directly. As Walid Khalidi, a Palestinian professor at Harvard University, observed during the 1995 annual meeting of American-Arab Anti-Discrimination Committee in Washington, D.C., those in attendance believed that to remove Arafat from the picture would grant Israel more power. Disposing of Arafat “would remove the symbol linking Palestinians inside Palestine with those in the diaspora. [Therefore i]t would also initiate a [destructive] struggle for succession.”

The only option for the Palestinians was to support and sustain Arafat. Even the 1995 poll conducted by the Jerusalem Media and Communication Center (JMCC) in the West Bank and Gaza Strip found that although 60.9 percent of people polled perceived Arafat as the symbol of Palestine, only 39.4 percent supported his leadership.

Once the Oslo Accords had been signed, however, and with the prospect of a self-governing Palestinian state-in-the-making, the counter-elites called for viable, transparent and representative Palestinian institutions which would enable a process of formal democratisation. Their aim was both to limit the power of Arafat within and over the PA and to reform the higher institutions within the PLO and Fatah itself, fearful of the reproduction and transfer of PLO/Fatah practices and institutions onto the new PA institutions. This attempt at democratisation was initially assisted by

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486 Klein, M. “By Conviction, Not by Infliction: The Internal Debate over Reforming the Palestinian Authority,” (Spring, 2003), p.198
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Outsider Mahmoud Abbas, the PLO’s second in command, who, following Oslo, called for institutional reform and a shift from revolutionary governance to democratic state-building. However, following the elections, these ambitions were quickly and progressively thwarted and co-optation became a modus operandi. What emerged was out of the elections was effectively a one-party system in which Fatah dominated the political realm. Smaller opposition political parties were by default eliminated from the 1996 electoral process due to a presidential degree and “Winner Takes All” electoral system which would assure their defeat; and Islamic parties politically boycotted the election due to the nature of PLO concessions to Israel. So from the start of the PA, the Insiders were facing an uphill struggle in their efforts to contain Arafat. It was hardly surprising, then, that Arafat was able to utilise a strategy of co-optation to convince so many that their pursuit of reform would be better served by acting within the PA, than standing directly against it.

THE PA UNDER CONSTRUCTION

Arafat’s unilateral decision making in the PLO and his—as well as Fatah leadership in the PLO—incapacitating procedures of nepotism, autocracy, corruption, and political deviation caused internal conflicts and were often heavily criticised by the Arab world and the West. This divisiveness often paralysed the function of the PLO institutions which resulted in Arafat taking decisions with impunity negatively affecting the Palestinian cause. However, this form of paralysis and discordance allowed for Arafat

487 Klein, M. “By Conviction, Not by Infliction: The Internal Debate over Reforming the Palestinian Authority,” (Spring, 2003), p. 198
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to establish, design and merge the newly established PA and the PLO bureaucracy."^{490} As such it resulted in a PA institution which was profoundly “weak” as a ‘state’ entity. The PA institutional structures onto which the PLO was superimposed were deeply flawed in ways which impeded the Insider counter-elites struggle to assert their democratic aspirations.

For a start, while the Oslo Accords and the subsequent Palestinian elections nominally recognised the PA as the national authority, they did not transfer all the powers of a state to the PA government.\(^{491}\) On the contrary, the ability of this governing entity to develop into a full-fledged sovereign democratic ‘state’ was obstructed and limited by the peace agreements. Democratic development of PA institutions was impeded for the sake of Israel security. As a legal advisor to Israel’s Ministry of Foreign Ministry stated, the PA "will not be independent or sovereign in nature, but rather will be legally subordinate to the authority of the military government."^{492} Even the 1996 election, viewed as a process towards democratic institutional building, took place while the civil rights and political freedom of Palestinians was under on-going constraints.\(^{493}\) As such the democratic credentials of the elections were flawed. Nevertheless, the elections granted legitimacy to the Outsider elites who were installed in leadership positions in the PA by Arafat, and provided Arafat with the power (and authority) to co-opt Insider counter-elites with offers of positions.

As As’ad Ghanem observes in his analysis of the PA structure, within the various PA ministries and its agencies, signs of such co-optation were in abundance, with preposterous numbers of director-generals, totalling thousands, being appointed. In addition, numerous advisors were installed in the various ministries who, like the director-generals, had no defined roles. The subsequent overlapping of powers between institutions, and roles and personnel, was not only inefficient but detrimental to operating the PA and implementing its policies.

Prior to the 1996 election, the top three positions of each Ministry were held by Fatah. Of the 40 deputy ministers in the 20 ministries of the provisional PA, 33 were from Fatah, 6 were independents but pro-Fatah, and only one (who later resigned) stemmed from another faction. Following the elections, political appointment was not necessarily based on the outcomes of the democratic process or on the qualification and skills of the individual, but rather on a mode of neo-patrimonial distribution. As Nahla Abdo argued, appointments were based on either “party politics or involving allegiance to the ruling party on clan or tribal grounds.”

Some individuals from within the Insider counter-elites were also co-opted into the new government, Nabil Sha’ath, for example was originally a member of the Insider counter elite although he had latterly been in exile with Arafat. He came to adopt, and later exemplify, the modus operandi of the Outsider. For his loyalty to Arafat, he was appointed to the 1994 provisional PA government as Minister of Planning and International Cooperation, a post which he retained following the 1996 election.

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496 Abdo, N. "Gender and Politics under the Palestinian Authority," Journal of Palestine Studies 28, no. 2 (Winter, 1999), p. 40
similar example was Abdel Aziz Ali Shahin (Abu Ali Shahin), who allegedly founded the Shabiba (Fatah youth) movement. He had been jailed by the Israelis in 1967 for ‘armed infiltration’ but finally released in 1982, only to be deported from Gaza in February 1985. He returned in 1993, and was appointed the Minister of Supply following the 1996 election. Jabril Rajoub, a journalist and managing director of the al-Abeer magazine had served 15 years of life prison, for throwing a grenade at Israeli soldiers, before being released in May 1985. He was rearrested on 29 December 1987 charged with inciting the Intifada and secretly expelled to Lebanon on 13 January 1988. Rajoub returned to the OPT with Arafat and was rewarded for his service by serving as the Head of the Preventive Security Services in the West Bank. Muhammad Dahlan, a student and Shabiba leader, and a close ally of Khalil Al-Wazir (Abu Jihad) in the Gaza Strip, was arrested and finally deported by Israel in January 1987. Following his return with Arafat, Dahlan was appointed as the Head of Preventive Security Services (PSS) in Gaza. The positions of Heads of PSS were important strategic positions—allocated only to Arafat’s trusted and loyal associates. So although these individuals had Insider elite credentials, their time spent in exile with Arafat in the later stages of the pre-Oslo period had clearly brought them into his inner circles.

It should also be pointed out that some of those Insider counter-elites who had endured Israeli deportation and who were briefly appointed high-ranking PA positions in the new PA following their return to the OPT, were soon disillusioned with the functioning of the PA and its leadership and were to become Arafat’s strongest critics. These included individuals like Abdul Jawad Saleh Hamayel, an Insider who was elected

mayor of al-Bireh in 1967, and was expelled to Jordan in 1973 for his role in creating the Palestinian National Front (PNF). Hamayel was allowed to return in 1993, when he was briefly appointed as the Minister of Agriculture in the 1994 provisional government before becoming one of Arafat’s strongest critics and moving into opposition. Azmi Shu’aybi, also an Insider political activist, from the 1970s (winning in the 1976 municipal council elections and in university student elections) until his deportation in January 1986 following charges of being the leader of DFLP, was allowed to return to the OPT in Spring 1993. He was adamant in clarifying that he did not return with Arafat, nor was he one of Arafat’s returnees. However, as a member of the counter-elite with legitimacy and support from the community, he was offered the post of Minister for Youth and Sports until 1996. Shu’aybi also became one of the main critics of Arafat and his modus operandi. Marwan al-Barghouti, also politically active as an elected president of the Birzeit University student council, was a third year student when he was deported in May 1987. Even Muhammad Dahlan who initially ascribed to Arafat’s modus operandi following their return to the OPT began to sell himself on a ticket of opposition to Arafat, calling for political reform and more coherent policy.

Moreover not all Insider counter-elites who had remained within the OPTs were sympathetic to Arafat’s way of doing things. Co-optation was also to become a means of drawing Insider critics into the PA. It served in particular to contain those Insider critics who had been critical of Arafat’s leadership and policies. This was particularly evident in the case of Bashir Wilk, who was a prominent political activist in the 1970s and 1980s and had been expelled to Jordan in 1980 for his role in creating the Palestinian National Front (PNF). Wilk was allowed to return to the OPT in 1993, when he was briefly appointed as the Minister of Agriculture in the 1994 provisional government before becoming one of Arafat’s strongest critics and moving into opposition. He was adamant in clarifying that he did not return with Arafat, nor was he one of Arafat’s returnees. However, as a member of the counter-elite with legitimacy and support from the community, he was offered the post of Minister for Youth and Sports until 1996. Wilk also became one of the main critics of Arafat and his modus operandi. Marwan al-Barghouti, also politically active as an elected president of the Birzeit University student council, was a third year student when he was deported in May 1987. Even Muhammad Dahlan who initially ascribed to Arafat’s modus operandi following their return to the OPT began to sell himself on a ticket of opposition to Arafat, calling for political reform and more coherent policy.

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critics who refused to be silent about developing corrupt practices, the absence of the rule of law, violations of human rights, or bureaucratic inefficiencies. Insider counter-elites began to form their own NGOs to articulate and campaign about these concerns. Arafat then sought to bring them inside the PA as a way to silence them. For example, Dr. Hanan Ashrawi and Abd el-Jawad Salah were promoted to positions of Minister of Higher Education and Minister of Agriculture, respectively. Hamas supporter and critic of Arafat, Imad al-Fluji, was allocated the position of Minister of Communications while Talal Sidr received the position of Minister of Sports and Youth.

Arafat drew on a further mode of co-optation in order to undermine the competing legitimacy of Insider counter-elites who sought to criticise him to subordinate him to democratic processes. With the establishment of the PA, Arafat reinvented the hamula as a state tool to consolidate clan allegiance and as a method for appointment to leadership positions. This was instigated during the PA’s provisional years in anticipation of – and to subvert - the elections. The allocation of positions in the provisional PA was primarily based on loyalty, service, and affiliation rather than on merit or formal qualification. Arafat courted clan leaders and members of the traditional notable elites, restoring and re-establishing some of their social influence and binding them to him in an informal network of power and position. When the elections came, he had already developed the network and assured its social power over sections of the population, undermining the Insider counter-elites who sought to build democratic institutions to formalise and “check” the exercise of power.

507 Abdo, N. "Gender and Politics under the Palestinian Authority," (Winter, 1999), p. 41
Arafat’s final “tool” in his efforts to undermine the early consolidation of democratic institutions was his willingness to use coercion and his determination not to be constrained by the rule of law in the silencing of his critics. His security forces enjoyed his personal protection when they engaged in human rights abuses including arbitrary detention and torture. Special security courts, allowed under the Israeli rule of State Security Courts, were set up in the OPT which acted as tribunals and carried out executive orders which did not abide by any defined legal norms.508 The secret trials often held at night and defendants were held without charges, not informed of charges or not allowed legal representation. Trials were often held in less than hour and as not being part of the civil legal court system, defendants were not able to appeal their case to a higher court.509 There were numerous cases which illustrate well the early signs of Arafat’s rejection of democratic practices and principles and relates to his willingness from the beginning of his rule to endorse torture and human rights abuses, and restrict freedom of speech to prevent criticism of himself and the PA.

On 2 July 1997, Dr. Fathi Suboh, a community leader and lecturer of education at Al-Azhar University University, was arrested by the PA’s Preventive Security Forces under the charges of ‘security reasons.’ The arrest was challenged by the Palestinian Centre for Human Rights (PCHR) as illegal and demanded the release of Suboh. His wife had testified to PCHR that Suboh was arrested as a result of positing an examination question to his students which asked for their opinion about administrative corruption in the PA as well as at Al-Azhar University. A day following the examination, the Palestinian police forced themselves into Suboh’s home and

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confiscated all the exam papers. This according to PCHR and the press was a violation of educational freedom and freedom of expression which were indicators of the real reason Suboh was arrested.\(^\text{510}\)

In August 1999, Ismaeil Abu Shanab, one of the most prominent figures of the Islamic leadership, and a former Head of the Engineering Association was arrested by the Palestinian police following a television interview where he called for the cancellation of the Oslo Accords.\(^\text{511}\) A day later on the 7 August, 1999 two prominent figures of Hamas, Dr. Rantisi and Ahmed Nemr Hamdan, were arrested and charged with “disseminating false information in an attempt to terrorize the public.” Dr. Rantisi was previously detained in April 1998 and then released in a July 1999 (more than a year later after it was ordered by the Palestinian High Court of Justice for his immediate release) where he interviewed with Al Quds news agency announcing that the reason he was not released was due to a security-cooperation between the PA, Israel and the CIA.\(^\text{512}\) This ‘accusation’ led to his August 1999 re-incarceration. While these figures’ imprisonment presented a human rights issue, it also exposed Arafat’s institutional structure, method of governance, and disregard for democratic processes.

In effect, Arafat took every opportunity to assert his personal power and authority over the PA both before and after the elections. Arafat dictated the decision making process, instilled a repressive policing structure, appointed and dismissed officials, and suppressed any actions towards power-sharing. As his PLC critics Abdul Jawad Saleh


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Hamayel and Ziad Abu-Amr pointed out (accordingly), “Arafat is individualistic to an abnormal degree...[where] he prefers to make decisions on his own.” And “[i]f there is an embodiment of institutionalization, Arafat’s style of leadership is the antithesis.”513 His need to micromanage in order to keep power close at hand meant that Arafat was directly or indirectly involved in, and made aware of, every aspect of the PA activities—from the security sector, to the judiciary, to the PLC. Arafat’s anti-institutional approach appeared to a degree to be based on fear and paranoia of being removed from power. The instability and uncertainty of the peace agreements contributed to this atmosphere of insecurity, compelling Arafat to use methods of compromise, manoeuvre, co-optation, and competition between officials, factions and clans, in order to maintain the upper-hand.514 Some of Arafat’s critics have conceded that it was perhaps his personal charisma and dominant character which enabled him to act this way, as well as his personal legitimacy and the legitimacy conferred on the PA by the peace process and elections.515

It should also be noted, however, that Israel, the United States and the International Community effectively turned a blind eye to Arafat’s individualistic style of leadership at this crucial early stage. Their interests lay in the continuation of the peace process which would, it was believed, provide security for Israel. Ailments in the management of the Palestinian Authority, would be overlooked and forgiven as long as the survival of the peace process was not jeopardised, even when these meant silent endorsement of human rights abuses and the undermining of democratic institutions and processes. From the Israeli and American points of view, Arafat was understood to be the only

513 Rubin, B. The Transformation of Palestinian Politics: From Revolution to State-Building, (1999), p. 4
514 Rubin, B. The Transformation of Palestinian Politics: From Revolution to State-Building, (1999), p. 4
person who could keep control over the POTs in the face of Islamist and other opposition to the peace process (and the concessions which it entailed). He was therefore of personal importance and they were prepared to ‘overlook’ some of the PA’s ‘undemocratic’ behaviour if he could suppress opposition to the peace process, by whatever means necessary.516

In time, however, complaints about the PA became rife as oppositions criticised its authoritarian nature and mismanagement of state resources. The PA became distrusted not only because of its attachment to and coordination with Israeli security but also because of Arafat inability to delegate authority and suppression of any effort towards reform. The security sector was increasingly accused of performing outside of the prescription of law. For example, cases of land dealer (Palestinians who were selling lands to Israelis) assassination were attributed to the GIS sector and PA intelligence.517 PA undemocratic practices and mismanagement was also ascribed to the PA’s obligation to fulfil its end of the agreement pursuant to the DOP and subsequent Agreements in order to ensure its political survival.

The absence of power for the different branches of the government propelled the counter-elites to strike a balance between the power vested in each governing body by the peace agreements and the power asserted by Arafat in all aspects of the governing institutions. This unchecked control and his obstruction of the governing entities from performing their duties prompted the counter-elites to offset this imbalance through measures pushed through the PLC. These policies were hoped to limit the executive

power of Arafat by diversifying the power sources. As such, the work of the counter-elites within the PLC will be examined to understand how the institution sought to counter Arafat’s authority.

THE PALESTINIAN LEGISLATIVE COUNCIL

The Palestinian Legislative Council (hereinafter PLC) officially commenced its work as a legislating body on the 7th of March 1996. Structured as a parliamentary democracy, the PLC consisted of a presidency elected on a yearly rotational basis, standing and ad-hoc committees and subcommittees, as well as set of rules for legislative conduct, procedures, floor protocols, etc. The internal statutes defined the composition of committees, procedures for submission of bills, speech order, membership issues, conditions of immunity for council members, the establishment of departments within the PLC to support its work etc. The PLC was responsible for legislation and oversight of the executive branch. The first act therefore of the PLC upon its opening session was to elect its presidency composed of the chairman of the council, his two deputies, and a secretary. The election process for these positions was to be a secret ballot during the PLC’s first meeting after the elections; at the beginning of each new activity year, a new presidency would be elected. The peace agreements prohibited the PA Chairman and Ministers (Executive Authority) from holding any position in the PLC presidency, as a move to emphasise in both concept and practice the separation of power. This restriction was supposed to give the PLC, in theory, more flexibility and freedom to assure their independence in decision making from the

executive branch, in particular from Arafat. The PLC presidency was given the responsibility to oversee the management, administration and financial affairs of the house. The responsibilities of the Chairman of the Council included being its spokesman, maintained security and order within, conducting and concluding council meetings, and granting or withdrawing the right of speech to council members. The separation of powers would grant the PLC independence in formulating its own policy, implementing its decision making processes, and ensuring the independence of the projects, work and investigations of its subcommittees (permanent and ad-hoc)—which were to focus on specific areas and issues for the development of the PA.

In addition to its other duties, the PLC as a parliament was given the authority to control the “actions of the other authorities and actions of legislation, etc.” It was also responsible for continuous control and monitoring of all other authorities in the government which included the Executive, Ministers and any other officials working in the government ministry. They were granted with the power to issue summons and demand clarification from members of the Council of Ministries and their subordinates whereby they would be legally bound to attend and answer. Ministers were also subject to the PLC’s approval in that they cannot begin to carry out their ministerial duties without the majority approval of confidence from the PLC. Furthermore, the PLC was given control over the operations of government officials. A council member could formally ask for clarification or justification on certain projects or procedures from Ministers or ministries, who would be legally bound to provide clear responses to the queries. The framework proposed for the Palestinian Legislative Council was a check and balance system which sought to maximise transparency and efficiency, as well as a

move towards decentralisation of power. There was, as Cheryl Rubdenberg asserts, a clear element of support for a democratic regime in the structures and functions of the PLC, and an aspiration from council members who were from Gaza and the West Bank that this would move the new government forward towards a pluralistic democratic entity.\textsuperscript{522}

However, with the election result, and Arafat’s capture of the position of President of the PA, this independence was compromised. Even senior positions in the PLC were occupied by Arafat’s close associates i.e. Abu ‘Ala, who was elected as the PLC speaker.\textsuperscript{523} Indeed, the system that arose following the commencement of the PLC was not dissimilar to the PLO system of governance. Arafat held control over strategic positions and ministries of the PA, and vetoing power which limited and contained the ability of the PLC to implement some of their legislative objectives. At the same time, the PLC members were unwilling, or unable to challenge this constriction of power by Arafat. Firstly, they did not want to challenge the symbolic legitimacy of Arafat which would portray an image of a divided nation. Secondly, they still believed that only Arafat had the credibility to create peace with Israel. Thus the Insider counter-elites sought to challenge Arafat’s usurpation of power over the PA by seeking to consolidate its own democratic structures and processes rather than by rejecting the PLC itself. This was evident in three areas of struggle for democratic reforms. Firstly, for passing and the implementation of a Basic Law which would limit the power of Arafat and define the role of the PA leadership, governing bodies and departments; secondly through the commissioning and issuing of the 1997 Corruption Report—which made fully public the neo-patrimonial \textit{modus operandi} of the PA and served as a platform to initiate

\textsuperscript{522} Rubenberg, C.A. \textit{The Palestinians: In Search of a Just Peace}, (2003), p. 248

\textsuperscript{523} Rubenberg, C.A. \textit{The Palestinians: In Search of a Just Peace}, (2003), p. 248
reform and transparency within the system; and thirdly through the struggle for control of the NGO sector—which represented a source of financial power and political legitimacy which the PA leadership sought to bring under its own control.

**THE BASIC LAW**

The structure of the Palestinian Authority created by the peace agreements resembled an entity that performs partly as a Parliament and partly as an oversight committee. The ambiguity of the agreements necessitated that the Palestinian Authority create its own Basic Law to govern its own “organization, structure, and functioning.” The Basic Law would provide the principles of law and power, concretely (rather than superficially) separating, defining and limiting the roles and duties of the three governing bodies, the Executive, Legislative and Judiciary. Moreover, it would also define, provide and guarantee the rights of its citizens. Implementing a Basic Law would limit Arafat’s personal ability to manage the PA as an extension of the PLO. Additionally, he would have to adhere to democratic political structures, processes and modes of behaviour, which would undermine the influence of the PLO’s neopatrimonial practices and informal networks.

The concept of a democratic and sovereign Palestinian state was not new and the notion of a Basic Law had long accompanied this goal. At the PLO’s 1988 PNC meeting in

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526 Abdo, N. "Gender and Politics under the Palestinian Authority.” (Winter, 1999), p. 41
Algers, the PNC had declared an independent Palestinian State with a “democratic parliamentary system.” The PNC had passed a resolution which authorised its Central Committee to pass a Basic Law, over Arafat’s objections. They had envisioned the Basic Law to serve as an articulation of constitutional principles. This was perhaps, as Nathan Brown has suggested, a premature designing of a constitutional mechanism considering that the PLO/PNC lacked both territories and people over whom to govern.

In theory, a constitution usually follows independence from foreign control and construction of a governing structure. Hence, a constitution reflects modified “power-realities” and is maintained by the political elite.

In the Palestinian case, the 1988 PNC resolution in favour of a Basic Law remained ignored until 1993. The signing of the Declaration of Principles significantly changed the priority for drafting the Basic Law. The framework under which the Basic Law was drafted was constrained by the Oslo Accords, by its restrictions, prescriptions, limitations, and principles which ultimately prioritised the security of Israel over Palestinian state-building and indeed did not articulate an end-goal of such a Palestinian state. Furthermore, it was originally formulated under the auspices of the PLO as the provisional PA, by selected PLO officials, and with no process of public consultation. This was far from the norm of constitutional formation. In a developed form of constitution building, a constitution is written by elected officials, representing the people, not by leadership-appointed individuals, and then submitted to popular referendum whereby, once ratified, it can only be revised through a constitutional

majority of the legislature, followed by popular ratification.\textsuperscript{530} As the issuer of the Basic Law, the PLO was exempt from the rules and laws that would later govern the PA and so, for Arafat, it became imperative that the Basic Law be drawn-up before the establishment of the PA.\textsuperscript{531}

The 1993 Basic Law was drafted by a group of PLO-appointed Palestinian jurists under the leadership of jurist Anis al-Qasem.\textsuperscript{532} Moreover, it was formed while still under the authority of foreign control (Israel), with a lack of any clear indication of the power-dynamics between the occupier and the occupied, and with no permanent resolution in place. The temporary and conditional nature of the Basic Law was clear then, as it lacked the basic characteristics of a normal constitution (such as defined policy competencies for the executive and legislative branches) and it was exclusively tied to the interim period. It was conditional because it was dependent on the successful completion and implementation of the DOP; and it was temporary because it was tied to the interim phase.\textsuperscript{533} Nevertheless it was envisioned to provide the legal framework for a future Palestinian constitution. The drafting of the Palestinian Basic Law therefore sought to accomplish two objectives: first, on a symbolic level, to indicate a measure of sovereignty; second, on a practical level, it supposedly aimed to create a democratic, liberal and accountable government. Hence, the establishment of a Basic Law would lay claim not only to a sovereign and independent Palestinian entity but also to a constitutional government, a departure from the ‘norm’ in the Arab world.\textsuperscript{534}

\textsuperscript{531} Brown, N.J. "Constituting Palestine: The Effort to Write a Basic Law for the Palestinian Authority." \textit{Middle East Journal} (Winter 2000), p. 28
\textsuperscript{532} Brown, N.J. "Constituting Palestine: The Effort to Write a Basic Law for the Palestinian Authority." \textit{Middle East Journal} (Winter 2000), p. 28. Also see (Wing, The Palestinian Basic Law 2002), p. 1
\textsuperscript{533} Aruri, N.H. and Carroll, J.J. “A New Palestine Charter,” (Summer, 1994), p. 6
\textsuperscript{534} Brown, N.J. "Constituting Palestine: The Effort to Write a Basic Law for the Palestinian Authority." \textit{Middle East Journal} (Winter 2000), p. 26
There was a general reservation regarding the Basic Law’s stated aim to provide institutional stability and political accountability and whether the Palestinians would be able to depart from the perceived regional ‘norm’ of authoritarian and neo-patrimonial rule. The PLO’s haste to draw-up the Basic Law—in preparation for the provisional government—did not encourage a positive image of an inclusive drafting process or give confidence that the contents would be fair and democratic in nature. Rather, it was perceived as a means to secure in place a governing mechanism which would outline and control the function of the new Palestinian entity vis-à-vis power given to the PLO and its leadership. Pressure was put on the PLO to publish the draft Basic Law to get some public input and participation in its drafting before the setting up of the provisional PA government in the Gaza Strip. The draft Basic Law was therefore published on December 1993, when it was met with public outcry and criticism.\(^\text{535}\) The draft contained elements that were rejected by both Israel and the Palestinian public. The Israelis opposed to the PNC’s reference to the Palestinian people as the source of their authority and their declaration of Jerusalem as the capital of Palestine.\(^\text{536}\) Palestinian critics argued that it gave exclusive power to the executive branch. The Basic Law was anticipated only to serve as a temporary ‘constitution’ for the newly established Palestinian entity until an independent state was established and whereupon a permanent constitution would be constructed.\(^\text{537}\) However, critics feared that if accepted in its unrevised form, the provisional constitution would become permanent in the envisioned sovereign state. They further claimed that because of the nature and environment under which the constitution was drafted i.e. in secrecy and in haste

\(^{536}\) Brown, N.J. "Constituting Palestine: The Effort to Write a Basic Law for the Palestinian Authority." *Middle East Journal* (Winter 2000), p. 28
without public or external inputs, it contained (or included) loopholes which were conducive for Presidential authoritarianism. Due to public pressure therefore, the draft was revised and reissued in January 1994, debated at a February conference in Jerusalem, and redrafted and republished in April. While some scholars argued that this process had led to a considerably improved and restructured April draft of the Basic Law which addressed some of the concerns, they recognised that improvement was only in relation to the original draft. Moreover, many of the concessions were only symbolic.

Subsequent drafts of the Basic Law met challenges from the PLO leadership, particularly from Arafat, who consistently sought to stall redrafts which might impose on his autonomy. Counter-elites’ meanwhile saw their efforts to get a redrafted comprehensive and liberal Basic Law as a means by which to balance power-dynamics in the political sphere. When the Palestinian Legislative Council assumed seats in parliament following the January 1996 election, it was anticipated that they would address issues, problems and criticisms raised in the public sphere through comprehensive legislative initiatives and implementation of the rule of law. Counter-elites were aware, therefore, of the significance of passing a Basic Law which would not only limit and define Arafat’s power as president, but also provide autonomy for the PLC members to implement and make policies. Therefore, by April 1996, during the Palestinian Legislative Council’s second session of its first term, it issued Resolution No. (8/2/1) which demanded that the Ministerial Cabinet present a final draft of the Basic Law to the Legislative Council within three weeks. Although this

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did not come to fruition due to the unwillingness of Arafat to construct and implement a Basic Law which would relinquish and/or share his power, it provided an avenue towards reform and transparency.

In order to provide a more comprehensive and inclusive Basic Law, subsequent drafts of the al-Qasem version drew upon various sources and received inputs from Al-Haq human rights groups and constitutions from other countries. This eventually became a struggle for power between the Counter-elites in the PLC on the one hand, and Arafat and his Outsiders on the other, as the PLC sought to secure Arafat’s signature to pass it as law and Arafat vetoed each draft. This tug-of-war between Arafat and the Counter-elites showcased Arafat’s use and abuse of power as he sought to make clear to the PLC that he would not ratify any legislation that would limit his power. On the other hand, the Counter-elites sought to redirect, and to an extent restructure, the ‘state’ institutions to reverse Arafat’s centralisation of power and obstruct his neo-patrimonial style of rule. Professor Ziad Abu Amr, one of the leading PLC critics of the PA leadership, perceived this struggle as the PLC as being hindered in its role and unable to exercise control over the Executive power.

After subsequent drafts and their vetoing by Arafat, the PLC decided to unilaterally approve a 1997 revised draft of the Basic Law without seeking to ‘consult’ or compromise with Arafat. One of Arafat’s adamant rejections of the Basic Law stemmed from a clause which would demote the Ra’is (Arafat’s) power, consequently

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limiting the power vested in the office and its control over other departments and sectors attached to the PA. This long standing impasse of wills between the Insider counter-elites and the Arafat/Outsider elites eventually reached a break-through in its deadlock due to imposed pressure from external powers i.e., the United States and the international community, which forced Arafat to ratify the Basic Law in May 2002.

In March 2003, amendments were made to the Basic Law which provided more power and independence for the Palestinian Legislative Council members, more defined roles, and a legal foundation for the PA. One significant amendment which was previously ‘overlooked’ was the position of prime minister. The absence of a prime ministerial role was not an inconsequential or overlooked issue but rather a methodological effort on Arafat’s part to resist power sharing. While the amendment endowed the prime minister with the responsibility for “forming and modifying the council of ministers and overseeing government institutions,” it gave the president the authority to “refer the prime minister for investigation.” Simultaneously, it gave the prime minister the right to “refer ministers to investigation – when accused of crimes.” It was a check and balance relationship between the office of the president and the prime minister; whereas previously the authority of nomination and dismissal of ministers, and management of government institutions among other executive decisions rested solely with the president. Placed in a precarious position with further pressures from external power to pass the measures, Arafat relented and signed the amendments into law thus formally demoting his own office’s power.

The elites in the PLC viewed this concession by Arafat and feat of passing the amendment as a foundation measure for increasing their role, and autonomy as a parliamentary body to perform their duties without meddling from the president’s office. The significance of this amendment is that it further allowed for “10 members of the 88-member legislative council to submit a request to hold a special session to withdraw confidence from the government, or from any of its ministers, after investigation.” Consequently, it provided more power for the PLC to monitor the cabinet and ministers of the president’s office which would consequently, in theory, put a limit on their activities and their governing power. The amendment furthermore introduced the PA’s first disclosure requirements where all PA ministers and the prime minister were obliged under law to provide a financial report on themselves, their spouses and their dependent children. Moreover they were to declare any conflicts of interest. However, even formulating and passing these laws, Arafat still ‘unofficially’ maintained power and control over the government defying all legal arrangements and laws. For example, in October 2003, following a suicide attack in Haifa which killed 19 Israelis, Arafat used his presidential power to call for an emergency government and installed a new 8-member cabinet before submitting the names of his cabinet to the PLC for approval. The move was criticised by opponents calling this unlawful for it not only negated and undermine the role of the PLC—which had granted the power to select a cabinet to the Prime Minister—but it also criticised Arafat for imposing his will as President to implement a motion of “emergency government” not provided for in the

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Palestinian Basic Law (Constitution). The “new” cabinet that was installed by Arafat included his most ‘trusted’ allies, most of the old members of the former cabinet, many of whom were named, unsurprisingly, in the 1997 Corruption Report produced by the PLC and would not have necessarily been approved by the PLC if they had been consulted before the cabinet members were officially ‘installed’ in office. This move by Arafat illustrated the struggle for power between him and the PLC, where each was seeking to curtail the influence and power of the other.

It should be noted that Israel, the United States and the international community only became actively engaged in seeking to curtail Arafat’s power through support for the PLC’s initiatives regarding the Basic Law and its amendments, once Arafat was beginning to lose his credibility as their own “partner for peace”. For example the Sharm al-Shaykh Accord signed on the 4th of September 1999 between Arafat and Ehud Barak—which was seen as the continuation of the (suspended) Wye Agreement—were mainly concerned with the final status negotiations, Israeli (2nd) deployments from Area C (in three stages), and the release of Palestinian prisoners came to a impasse when Israel refused to implement the second stage of redeployment and in its stead authorised further settlement in the West Bank. Efforts to have the U.S. intervene resulted in the U.S. declaring that the two sides should work out the differences themselves. This forced Arafat to announce a deadlock to the final status

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talks claiming that Israel used the negotiations as a veil for further settlement expansion.\(^{552}\)

By December 1999, Arafat and Barak resumed talks however was again at a deadlock when first, Israel postponed the 3\(^{rd}\) stage deployment date—which was supposed to be completed in January 2000—to the end of 2000 without consulting PA. Second, Barak presented Arafat and the PA a finalised map of the 3\(^{rd}\) stage redeployment (which did not include populated areas near Jerusalem) from the OPT without, yet again, consulting the PA which infuriated Arafat and suspended further talks.\(^{553}\) The trilateral Camp David Summit in July 2000 which involved the U.S., Israel and the PA, was to revive the failed Sharm al-Shaykh Accord. President Bill Clinton made a last-opportunity push to reach a Middle East peace solution before he left office, which was prematurely perceived by Arafat and eagerly by Barak.\(^{554}\)

Arafat’s staunch refusal to compromise on the core issues of right of return for Palestinian refugees, unclear stipulation on Israel being forbidden to dig in areas adjacent to the Western Wall, and Israeli security presence in the Jordan valley, was blamed as the cause for the collapse of the 2000 Camp David.\(^{555}\) However, Arafat position was backed by the majority of the Palestinian population. It was claimed that Barak was willing to give back 90 percent\(^{556}\) of the West Bank and all of Gaza Strip, allowed for return of some refugees, and shared sovereignty over the Temple Mount

which Arafat refused and perceived as an illustration of his unwillingness to end the conflict.\footnote{Quandt, W.B. "Clinton and the Arab-Israeli Conflict: The Limits of Incrementalism." (Winter, 2001), p. 32} In hindsight, if Barak’s offer is viewed on the basis of what the Palestinians would gain from the land swap then it would entail Palestinian losses with minimal (if any) concessions from the Israeli side. For example, on the western border of the territories, “the Palestinians get the 1967 lines, but with modifications to take account of the Israeli settlements; on the eastern border, it’s sovereignty for the Palestinians, with Israel’s security needs met; on refugees, it’s the general principle for the Palestinians in terms of reference to UN General Assembly resolution 194 (not the “right of return”) and its practical limitation for the Israelis.”\footnote{Ross, D. The Missing Peace: The Inside Story of the Fight for Middle East Peace. (2004), p. 663. Also see (Finklestein Winter, 2007), p. 44} Nevertheless, the U.S. and Israel united to declare that the failure of the 2000 Camp David Accord was attributed to Arafat’s refusal of Barak’s ‘generous offer’ to share Jerusalem.\footnote{Peace Monitor Winter, 2001}, p. 127

With the collapse of the 2000 Camp David Accord, it promulgated a series of killings and suicide attacks against Israel where Arafat (PA) was blamed for his modus operandi of either encouraging, in collusion with, or unable to reign in the culprits.\footnote{Frisch, H. and Sandler, S. "Religion, State, and the International System in the Israeli-Palestinian Conflict." (Jan., 2004), p. 91; Berrebi, C. and Klor, E.F. "On Terrorism and Electoral Outcomes: Theory and Evidence from the Israeli-Palestinian Conflict." The Journal of Conflict Resolution 50, no. 6 (Dec., 2006), pp. 900-901; Also see: Halevi, I. "Self-Government, Democracy, and Mismanagement under the Palestinian Authority." Journal of Palestine Studies 27, no. 3 (Spring, 1998), pp. 44-46} As such, Arafat’s failure to accept final status peace agreements, his inability or unwillingness to reign in Islamist militants as he sought to maintain his delicate domestic juggling act, and the increasing propensity of his own security services to act outside of understandings with Israel, made him progressively appear something of a liability. Only then did Israel and the U.S. begin to demonstrate concern over Arafat’s style of governance, or actively endorse PLC efforts to constrain through a Basic Law,
once more demonstrating the weakness of the Palestinian institutions and their dependence on external support which was preconditioned not on democratic principles but self-serving aspirations for Israeli security.

The PLC effort to reform the PA into an entity that would resemble a democratic governing institution was not limited to providing a Basic Law to govern the PA but also sought to disclose and resolve the financial mismanagement of the PA, which they hoped would in turn lead to a more transparent and accountable political system. As such, the PLC pursued the issue of transparency through its 1997 Corruption Report, which was itself a response to Arafat’s own commissioning of the PA’s Auditor General’s Office to produce an auditing report in response to international donor’s concerns over financial mismanagement of international aid and development funds. In my interview with Azmi Shu’aybi regarding the investigation towards the 1997 PLC corruption report, he stated that the finding indicated very clear models of misuse of power for private gain.\textsuperscript{561} The 1997 PLC report subsequently found irregularities and implicated ministers and ministries in corruption, highlighting the conflicting and duplicating duties and roles of departments, the lack of operating procedures or measures for monitoring and accountability, and the existence of an informal system of governance. It is worth examining here how the PLC counter-elite members used this report as an opportunity to push for political reforms and to restrain Arafat’s use (and abuse) of power.

\textsuperscript{561} Shu’aybi, Azmi. Personal Interview. 4 August, 2008.
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THE 1997 CORRUPTION REPORT

Throughout Arafat’s tenure in office, he was able to use the official power vested in him as president of the Palestinian Authority to control and manoeuvre every aspect of the political, economic and social sectors of the OPT, not only for “personal” and informal ends, i.e.: for non-state matters and on behalf of his cohorts, but to also bypass the restrictive terms of the Oslo Accords by means of ‘rewards and punishment’. This form of ‘carrot and stick’ approach was achieved through the use of informal and formal means legitimised by his official position in office. As pressure mounted on Arafat—following the 1996 election—for political reform and to improve budgetary management and transparency, Arafat launched an investigation into these charges. The comptroller for the PA’s Auditor General’s Office (General Control Office, GCO) Jarrar al-Qudwa, himself a cousin of Arafat, headed the taskforce to look at government use of public funds. By May 1997, a report emerged from this investigation, which came to capture donor interests in both the PA’s internal control systems that monitor spending within the Ministries and external audits.

When the al-Quds television station broadcast the PLC debate on the Corruption Report, its owner, Palestinian-American journalist Daoud Kuttab, was arrested by the PA police. He was charged with violating the Law of the Press and the terms of his contract with the PA Ministry of Information and the PLC. Although Kuttab’s contract entailed him to broadcast PLC debates and sessions, apparently conditions in the fine print

562 Halevi, I. “Self-Government, Democracy, and Mismanagement under the Palestinian Authority.” (Spring, 1998), p. 36
563 Berry, M. “Assessment of Accountability and Auditing Standards in the Public Sector.” USAID Financial Sector Development Project (FSDP II). (Tel Aviv: USAID 1997). p. i
prohibited from transmitting the infamous debate and Kuttab was only released when he agreed not to broadcast any more PLC sessions without first securing the approval of Arafat.564

Arafat’s concern was not surprising, for the 1997 GCO report generated a public outcry and widespread demands for reform, initiating extensive public dialogues and debates. The report also gained international attention as sections of the Palestinian media who criticised the PA were blocked and censored by the PA-run Palestine Broadcasting Corporation. The report criticised the performance of the different public administrations and institutions, revealing revenues of the PA which amounted to about $325 millions to have been wasted or misused, as well as various forms of misuse of official power among officials in the PA. The 600 page al-Qudwa audit report—which was abridged by Arafat—provided an initial insight into the extensive wide-spread practice of corruption and graft inside the PA.565 Although the report was considered by both PA critics and PA officials to have been not very well prepared and to be flawed in many areas, it was nevertheless praised for its efforts to publicise and disclose PA internal problems of mismanagement of funds, and the incongruity between its methods of financial operation and those required by international donors and organisations. On the other hand, many of those inside the PA whether in opposition to Arafat or not conceded the flaws of the report.

Those that were close to Arafat argued that al-Qudwa was not qualified and knowledgeable enough to perform the audit. As the Minister of the Palestinian

565 Halevi, I. ”Self-Government, Democracy, and Mismanagement under the Palestinian Authority.” (Spring, 1998), p. 36
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Economic Council for Development and Reconstruction (PECDAR)—which is a ministry of the PA, Dr. Mohammed Shtayyeh recounted in our interview, al-Qudwa could not differentiate between bad policy and corruption. Moreover, al-Qudwa only superficially touched upon real issues of corruption in his report, for example within the para-military institutions, but rather reported on less central issues such as the use of U.S. donor money to augment tax-exemptions for returnees.\textsuperscript{566} In my interviews with prominent Palestinian political elites, they related that the al-Qudwa report also highlighted the poor performance of the PA and its structural weakness as a state entity to implement and enforce viable and sustainable policies, or to define organisational structures and functions which would not only provide a more transparent governing institution but also hold its actors accountable.\textsuperscript{567}

Ministers and high ranking government officials were implicated in the report but the authors of the report placed particular focus on the mismanagement of budgets by ministries. It lent credibility to the claims that the Palestinian administration was inherently corrupt in nature.\textsuperscript{568} Although this perception of the PA as a governing entity rife with graft and corruption had existed almost from its inception, the report validated the image by providing clear evidence. Arafat’s response to the report was ‘typical’, remarked George Giacaman in our interview, in that he ordered an abridged version of the full report to be distributed which under-stated the extent of the damage. In response to further pressure to resolve the problems, Arafat “founded a new committee to look into the report itself and the recommendation [that accompanied it], which was

\textsuperscript{566} Shtayyeh, Mohammad. Personal Interviews. 28 July, 2008.  
\textsuperscript{567} Al-Khatib, Ghassan. Personal Interview. 18 August, 2008; Giacaman, George. Personal Interview. 28 May, 2008.  
\textsuperscript{568} Halevi, I. "Self-Government, Democracy, and Mismanagement under the Palestinian Authority." (Spring, 1998), p. 36
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headed by Nabil Kassis, then a minister in the PA.” The Budget and Finance Committee included PLC members Azmi Shu’aybi, Sa’di al-Krunz, Yousef Abu Safiyye, Fakri Shaqqoura and Hikmat Zeid and was tasked with compiling the PLC report in response to the al-Qudwa report. However, they faced many challenges to their request for access to information and justification for ministerial budgetary activities.

The creation of this special committee presented the opportunity for the counter-elites to bring the government to task for its failings. It reflected mounting frustration amongst the PLC members over their inability to perform their roles and function due to Arafat’s interference and his by-passing of their offices through his own appointees and networks. The President and his cabinet not only ignored the PLC’s oversight roles, but he made no presidential actions in response to their legislations, disregarded resolutions, and did not encourage or acknowledge the PLC’s effort to write a Basic Law. The only drastic measure that the PLC could hold over the President and his cabinet, in order to enforce their power, was the threat to withdraw confidence. This argued Brown, was an approach that was rarely performed by an Arab parliament and seemed to hold true with the PLC. However, on the other hand members of the PLC were themselves coming in for public criticism for being incompetent and inefficient, the result of both their reliance on the President’s approval for getting anything done and the constraints of the Oslo Accords and Israeli stipulations. With these frustrations mounting, PLC members were eager to sue the 1997 Corruption report as a means of vindicating themselves and bringing Arafat and his Outsider elites to account.

569 Giacaman, George. Personal Interview. 28 May, 2008.
Between them these reports revealed that there was no written mandate or job
description for officials. The PA’s Internal Auditing department itself had no defined
operating procedures and, like PA ministries, did not possess any comprehensible
organisational structure, thus paving the way for the manoeuvring of positions for
power and mismanagement of funds by officials.\footnote{Where there is no clear definition of duties or responsibilities, it contributes to the mismanagement of funds either through double dipping, or different officials paying the same invoice etc.} The PLC examined Al-Qudwa’s
report and proposed a full investigation of the allegations of corruption. In my
interview with Azmi Shu’aybi, who was one of the main PLC members investigating
the corruption charges, stated that their investigation was grounded and based on “very
clear models of misuse of power for private gain…[particularly] conflict of interests in
genral, monopolies, and big procurement.”\footnote{Shu'aybi, Azmi. Personal Interview. 4 August, 2008.} Bribery, which is often found when
assessing corruption in former colonial states, was according to Shu’aybi not one of the
main problems uncovered in the PA corruption allegation. However, the use of official
power and the diverting of donations and funds into private accounts were widespread
and part of Arafat’s own modus operandi. Shu’aybi concluded that some of the
problems could have been resolved through legislation which would have ‘legalised’
transactions into accounts set up specifically to address some of the problems
associated with supporting PLO branches and families abroad. However Arafat and
many of the ministerial officials of the PA who were part of this scheme preferred to
conduct business in the clandestine and personalised manner of the revolutionary
period since this presented greater opportunities for abuse, less accountability and
reinforced the informal ties between those involved.\footnote{Shu'aybi, Azmi. Personal Interview. 4 August, 2008.}
Shu’aybi and his colleagues published their findings much to the chagrin of Arafat, not least since this was a crucial time for the PA in confronting similar allegations of corruption from the international community. George Giacaman commented in our interview, that once the findings were presented to Arafat, the report was deliberately set aside with no actions proceeding from it. Giacaman commented on how Arafat perused the report and filed it at the bottom of one of his drawers. He was less concerned with the findings than with the appearance of ‘doing’ something about the allegations which would on one hand pacify critics and donors while on the other hand allowing the PA to continue to function exactly as it had, without significant institutional changes.\(^{576}\) Rather than withhold confidence, which would have been an insult to the President and perhaps have no significant impact on the modus operandi of the Executive body and his ministers, the PLC decided to issue a resolution which would enable the prosecution of ministers and officials who were indicted on corruption charges arising from the report findings. Moreover, by the end of July 1997, they insisted that the President should install a new and corruption free cabinet. In response to the PLC resolution and demand, Arafat asked for the resignation of his cabinet members pending a reshuffle. However, by autumn 1997, the reshuffle was not complete and the existing cabinet members remained in office.\(^{577}\)

The frustration and outcry among PLC members mounted to such a point that Arafat was forced to make a rare appearance at the October PLC meeting. In a series of concessions, the Speaker, Abu ‘Ala, related Arafat’s intention to sign some of the approved PLC legislation within ten days, to reshuffle his cabinet, to allow for a joint-committee drawn from the PLC and his own cabinet to look at 187 PLC resolutions,

\(^{576}\) Giacaman, George. Personal Interview. 28 May, 2008.
\(^{577}\) Brown, N.J. *Palestinian Politics After the Oslo Accords: Resuming Arab Palestine.* (2003), p. 112
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and to resubmit the overdue 1998 PA budget for PLC approval. In return for these compromises, the PLC would be asked to give his ministers the opportunity to defend themselves against the corruption charges. However by December 1997, Arafat had yet to reshuffle his cabinet and failed to fulfil any of the other presidential promises issued in October. Arafat did manage to sign some of the more insignificant legislative bills, but disregarded important pieces of legislation. He set up a non-effective joint-committee, whilst meeting with Fatah PLC members to gain more time and support, all of which were moves to satisfy the bare minimum of his pledge.

Azmi Shu’aybi, who had been one of the leading investigators for the corruption report, actively sought out the ministers, calling them to account and demanding transparency in PA transaction from Arafat. This brought the confrontation with Arafat to a head when, at the end of 1997, Arafat refused to cooperate with the PLC unless Shu’aybi was removed as the Chair of the Budget Committee. According to Shu’aybi, the main problem for Arafat was that Shu’aybi refused to accept the 1998 Budget “as is” and he and his colleagues threatened a no-confidence vote on Arafat’s cabinet unless Arafat and his cohorts discontinued their diversion of PA funds and the practice of sending money to outside untraceable and unofficial sources. As such, from the latter part of 1997 until early 1998, Shu’aybi refused to approve the budget and Arafat refused to accept the recommendations. The deadlock in the presidential budget, with a two-month halt on the budget, caused rifts within the PLC. Shu’aybi was pressured by colleagues to step down while Arafat changed tactics by co-opting a number of the legislative council members into his cabinet. Promotions were offered for ministerial positions, to include some of the prominent individuals named above, which was to

578 Brown, N.J. *Palestinian Politics After the Oslo Accords: Resuming Arab Palestine.* (2003), p. 113
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ensure their vote of confidence in the government. This ultimately led to pressure on Shu’aybi to resign in 1998 and resulted in a vote of confidence by the PLC for Arafat’s government and all his expenditures.\footnote{Ghanem, A. The Palestinian Regime: A "Partial Democracy," (2001), p. 131} Shu’aybi remarked in our interview that even his staunch supporters and friends who had previously supported him in all aspects of drafting rules and policies, reforms, investigation of Ministers and ministries and so forth were unwilling to back him against Arafat. “They could not say ‘no’ to Arafat.”\footnote{Shu’aybi, Azmi. Personal Interview. 4 August, 2008.}

These events gave Arafat more confidence in his position relative to the PLC. Despite PLC members’ complaints about his failure to carry out his part of the bargain, and threats by dissident members of setting up a parallel Fatah bloc within the PLC to challenge Arafat, in the end no actual actions were taken to implement these threats and complaints. Instead, the PLC itself began to split into two camps: one corner was composed of those choosing not to disturb the status quo or to challenge the President for fear of weakening national unity or indeed for fear of Arafat and his security services. On the other side an increasingly few dissident counter-elites actively sought genuine reform from the inside, seeking to hold Arafat accountable and arguing that the current modus operandi of the PA and their lack of actions sustained weak-state institutions and contributed to a decrease in public trust in the governing system.\footnote{Brown, N.J. Palestinian Politics After the Oslo Accords: Resuming Arab Palestine. (2003), p. 113} They argued that the accommodating PLC members’ refusal to challenge the president was damaging to their image, indicating a lack of power and ability to build a democratic state.

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581 Brown, N.J. Palestinian Politics After the Oslo Accords: Resuming Arab Palestine. (2003), p. 113
\end{flushleft}
Notwithstanding the demands and resolution of the PLC for reform and a change of cabinet, it took one year before Arafat finally announced a new cabinet. However, Arafat’s chosen ‘new’ cabinet members included those indicted in the corruption report. The only exception to the new composition was the replacement of those who had since died, with new members being appointed to replace them. To further reiterate his power to the opposition, and to gain support and legitimacy, Arafat installed new ministers into his cabinet—which exceeded the limit of nineteen as prescribed by the Basic Law—established new ministries without PLC approval, and co-opted PLC members into his cabinet.\textsuperscript{582}

The significance of the GCO report was that it identified how the PA leadership has used corruption to create specific political opportunities for themselves. The absence of financial transparency has enabled the officials within ministries and the president’s office to access general funds which then allowed them to pursue types of projects which the PA itself was prohibited from pursuing under the terms of the Oslo Agreements. In my interview with Salim Tamari, he emphasised that this included creating a “cash flow in the hand of the President to create group funding support outside the domain of the PA, embassies, consulates, militias, martyrs funds, support for groups outside the country in Lebanon especially, refugee camps”.\textsuperscript{583} Tamari referred to this as misappropriations as distinct from other forms of corruption. A second form of “opportunity” came in the PA’s creation of monopolies which not only created economic empires for individuals but more specifically were aimed at creating new avenues for the exercise of power by Arafat and Outsider members of the PLO.

\textsuperscript{582} Brown, N.J. \textit{Palestinian Politics After the Oslo Accords: Resuming Arab Palestine}. (2003), p. 113
\textsuperscript{583} Tamari, Salim. Personal Interview. 31 July, 2008.
By 2003, a law was introduced which would finally define specific penalties for misappropriation of public funds or any act relating to corruption in public office. This was an opportune moment for legislators who had been pushing for transparency in the PA. This particular law would issue “penalties of up to 10 years’ imprisonment for embezzlement of public funds, up to 15 years for bribery and life imprisonment for destroying evidence to facilitate, or cover up, embezzlement. Funds would be recovered and fines imposed equal to the amount of embezzled funds or damages incurred.”

THE NON-GOVERNMENTAL ORGANISATION CHALLENGE

The third realm in which the Counter-elites sought to circumscribe Arafat’s personalised power was that of the NGO sector. When the First Intifada occurred, the Palestinian Non-Governmental Organisation (NGO) sector was one of the entities that enabled and promoted mass mobilisation in the resistance movement. NGOs provided the means for popular Palestinian disengagement from economic, health and agricultural dependence on the Israeli regime. As recounted Issam Abu Al-Haj, Director of Jerusalem Legal Aid and Human Rights Center and a former Birzeit student leader, during my interview conducted with him, there were certain criteria in place for selecting people into NGOs. Individuals had to be, *inter alia*, pioneering, previously arrested for their political activities, faced harassment by the Israelis, and to have made personal sacrifices and/or provided voluntary service to the cause or to help the Palestinian communities. Thus there was a strong link between the society and these

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organisations which were instrumental during the Intifada to coordinate resistance activities.

In the early 1990s with the establishment of the PA, Palestinian NGOs went through a transformation from a popular movement to a professional entity, with salaried staff funded by international donors. The successful NGOs swiftly adapted themselves to the new situations by revamping their organisations toward Western donor states and International NGOs. Their agendas also displayed this transition: from reflecting grassroots needs and autonomous activities with a domestic agenda to their increasing dependence on injections of donor funding subsequently internalising donor agendas. As remarked PECDAR’s minister, donor money is always accompanied by donor agenda, which is political in nature. Recruitment to NGOs also became more a technical than a political issue—as with the political recruitment and self-sufficiency movement towards Israeli disengagement during the Intifada. As such, observed Abu Al Haj, value was now placed on skills such as foreign language competence, computer literacy, or additional types of technical proficiencies. In turn, this affected the type of elite that came to lead the NGOs, and the institutional culture which they exhibited. Tasks and social services that were the basis for the establishment of Palestinian NGOs/grassroots organisations to provide during the absence of a legitimate Palestinian formal government, in the areas of health, education, social welfare, waters, human rights, civil rights etc., had to be revisited. As recounted Nabil Kassis in a personal interview, the PA sought to take on many (if not all) of these responsibilities

587 Shlyayeh, Mohammad. Personal Interview. 28 July, 2008
which created tension between the government and NGOs.589 At the same time, the PA recognised the need for NGOs to handle some of these issues. It indirectly provided the PA, as the governing body, with the much needed legitimacy to ‘stamp’ their right as the formal authority in the OPT through the works of NGOs and other bodies to “provide services, links to the key constituencies, and external credibility.”590

The international community’s role in supporting the legitimacy of the PA propelled an injection of donor money into the OPT both to the PA and to NGOs. As such, there was an observable shift where some local NGOs, argued Issam Abu Al Haj in our personal interview, “continued to keep their cultures, [while] others lost this culture and became more donor-oriented rather than society-based.” 591 The institutional transformation which increasingly valued technocrats and leadership who were donor and Western oriented, in contrast to occupation-resistance culture in pre-PA era, led to processes of depoliticisation.592 As such, many NGOs in the OPT were increasingly associated with image of elitism and detachment from the society. Nevertheless, many NGOs still maintained an essential role in the society, providing much needed services (and continuing to do so as the PA progressively failed to do so).593 For example, in early 1996, it was estimated that majority of the health care system (60 percent), hospital care (50 percent) and day care services for pre-school age children (100 percent) were provided by NGOs.594 Furthermore, agricultural assistance, micro-enterprise credit programmes, and low-cost housing aid services, and private schools

589 Kassis, Nabil. Personal Interview. 3 June, 2008.
590 Brown, N.J. “Palestinian Civil Society in Theory and In Practice.” (May 2003), p. 2
593 Rubenberg, C.A. The Palestinians: In Search of a Just Peace, (2003), p. 245
(particularly in Jerusalem) were provided by NGOs. Thus, whilst their political culture changed somewhat with the introduction of professionalism and donor funds, NGOs remained fundamentally imbued with the nascent democratic political culture of Insider counter-elites wherewith the legacy of resistance to occupation had inspired.

Many of the Insider counter-elite leadership—with histories of leftist affiliation—established NGOs, served as directors, or were associated in one form or another with NGOs. With increasing PA authoritarian attitude towards NGOs, these organisations also became the most critical voices against the PA and Arafat’s *modus operandi*. A well organised lobby group and NGO groups were established under the umbrella of the Palestinian NGO (PNGO) which served as a challenge to PA rule. By the 1996 elections, NGOs became engaged in a struggle to maintain their independence from the PA as Arafat sought to regulate and control them. The previous year in 1995, the PA (Arafat) proposed a restrictive law which would have regulated and limited NGOs’ ability to receive international and local funding without first receiving permission from the Ministry of Social Welfare whose jurisdiction they were under. Additionally, they would be restricted from holding bank deposits more than one month’s expenditure and not allowed to have cooperation with other organisations outside of the PA jurisdiction. They would be required to register (and get permission) with each ministry wherewith correlated with their activities and individuals would be prohibited from participating in more than one NGO at a time. The drafted law would also have provided the Minister of Social Welfare with the authority to “dissolve any NGO,

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*Sullivan, D. J. "NGOs in Palestine: Agents of Development and Foundation of Civil Society." (Spring, 1996), p. 94

*Hammami, R. "Palestinian NGOs Since Oslo: From NGO Politics to Social Movements?" *Middle East Report*, no. 214, Critiquing NGOs: Assessing the Last Decade (Spring, 2000), p. 16
One of the main reasons for Arafat’s move was to impede upon NGOs ability to become competitors for funds and power, particularly in close connection to the international community and donors.

The NGOs represented key donor funding as well as the political power-base for independent critics of the PA and Arafat. By bringing them under his and the Outsider elites’ control, he could kill two birds with one stone. Thus Arafat began to take a heavy-handed approach towards the NGOs similar to the methods used by the neighbouring Egyptian and Jordanian regimes which contributed to a deteriorating relationship between the PA and the NGOs. NGO complaints about being passed over for funding by the PA compelled the World Bank to strengthen the sectors by establishing in 1997 the World Bank Palestinian NGO Project initiative which would create a $15 million USD Palestinian NGO trust fund, labelled ‘NGO Project’. This posited Palestinian NGOs as an actual, rather than a periphery, threat to the authority of the PA. The PLC was therefore compelled to issue legislation whereby it would regulate relations between the PA and the NGOs as well as protecting the rights and independence of NGOs. In 1998, the PLC drafted a law which would have provided NGOs relative protection from government interference. It would entitle them the freedom of formation, access international funds without informing the government, and also to have control over their own budgets and set own agendas. The law was

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598 Elbayar, K. "NGO Laws in Selected Arab States." International Journal of Not-for-Profit Law 7, no. 4 (Sept. 2005), p. 21
599 (NGO Monitor 2006); Brown, N.J. “Palestinian Civil Society in Theory and In Practice.” (May 2003), p. 7
600 Hammami, R. "Palestinian NGOs Since Oslo: From NGO Politics to Social Movements?" (Spring, 2000), p. 17
approved by Arafat with one significant change in that NGO registration would have to be with the Ministry of Interior (under the personal jurisdiction of Arafat and also known for controlling the mukhabarat—intelligence services) which the PLC outright rejected. It led to confrontations between the PA and NGOs where the NGOs lobbied the support of the international community and donors. In response, the PA launched campaigns of vilification, and harassment against NGO leaders.

In 1999 following a UN report on post-Oslo donor support to human rights and legal sectors, leading PA officials, led by the Minister of Justice accused (inaccurately) human rights organisations and other NGOs of siphoning off the PA designated $100 million USD funds leaving only a small fraction of $4 million USD for the PA. NGOs were also vilified as living off funds designated for the Palestinian people. However, according to the report, it calculated that approximately only $20 million USD went to human rights, NGOs and other organisations. In response to NGOs increasing role in the political sphere, the PA set up a governmental NGO network to compete with the PNGO for funding as well as to widen the PA’s patron-client network. There was also a crackdown on PNGO activities where networks in Gaza were barred by the Force 17 army from holding elections until they first acquire a permit from the Ministry of Interior to hold a ‘public meeting’. Moreover, leading NGO lobbying groups were suddenly audited by the President’s office’s Financial Oversight Board which demanded that the NGOs provide them with everything from funding sources, names to

602 Hammami, R. "Palestinian NGOs Since Oslo: From NGO Politics to Social Movements?" (Spring, 2000), p. 18
603 Elbayar, K. "NGO Laws in Selected Arab States." (Sept. 2005), p. 21
604 Brown, N.J. “Palestinian Civil Society in Theory and In Practice.” (May 2003), pp. 7-8
605 Hammami, R. "Palestinian NGOs Since Oslo: From NGO Politics to Social Movements?" (Spring, 2000), p. 18
606 Hammami, R. "Palestinian NGOs Since Oslo: From NGO Politics to Social Movements?" (Spring, 2000), p. 18
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political histories of their employees.\(^{607}\) International donors and the NGO community criticised and condemned the PA for this intimidation.

It is not difficult to surmise the involvement of the PLC in the conflict particularly when many of the counter-elites inside the PLC and in ministerial positions also were attached to NGOs either as directors, board members, or consultants. Despite PLC resolutions, Arafat refused to sign any such legislation into law. This constant struggle for power between an increasing authoritarian PA under Arafat and the Palestinian NGO community continued until NGOs sought the intervention of the international community through applied pressure of threat of fund withdrawal which would ultimately jeopardise their legitimacy. Nevertheless, it was the NGOs’ fierce lobbying of PLC, and staged demonstrations which provided them with the visibility needed not only to ratify and pass the NGO law but to gain international attention.\(^{608}\)

The international community and Donors poured money into NGOs which they hoped would strengthen their role in challenging the PA, particularly Arafat. However, observed Bassam Al-Salhi, Palestinian People’s Party Secretary General, the international community and Donors needed to maintain the legitimacy of the PA for the survival of the peace agreement therefore simultaneously supported the PA through financial assistance.\(^{609}\) Nevertheless, due to the bulk of their funding deriving mainly from international agencies and donors, NGOs beseeched the involvement of these

\(^{607}\) Hammami, R. "Palestinian NGOs Since Oslo: From NGO Politics to Social Movements?" (Spring, 2000), p. 17


\(^{609}\) Al-Salhi, Bassam. Personal Interview. 18 August, 2008.
agencies and donors to put pressure on the PA/Arafat for a more fair and viable law whereby NGOs would have more autonomy from the PA.  

The PA-led smear campaign to undermine the legitimacy of NGOs was in response to the PLC’s rejection of Arafat request for change. These PA public charges against NGOs were correlated accordingly to deflect the Agence France Presse’s published scathing appraisal of the Palestinian justice system particularly which criticised the PA’s dysfunctional legal system and rampant corruption. As such, NGOs were supported by the press where they rallied behind them publishing a press release signed by six political factions (including Fatah) denouncing the PA smear tactics, defending the NGOs credentials and demanding ratification to the draft NGO law. In January 2000, the NGOs won what many have termed a “near total victory” whereby the Palestinian NGO Law of Charitable Associations and Community Organizations (No. 1 of 2000) became one of the least restrictive and more liberal NGO laws in the Middle East. The NGO community not only were able to pressure Arafat into conceding but also gained independence from the restrictive PA control.

Whilst it is tempting to see this as a victory for democratic elements in the PLC, however, again it demonstrated that the PLC was only able to stand against Arafat when it had the support of the international community in doing so, indicating its own institutional weakness. In the meantime, the struggle between the PLC and Arafat over the autonomy of NGOs was played out not only through formal political manoeuvring,

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610 Elbayar, K. "NGO Laws in Selected Arab States." (Sept. 2005), p. 21
611 Hammami, R. "Palestinian NGOs Since Oslo: From NGO Politics to Social Movements?" (Spring, 2000), p. 19
612 Hammami, R. "Palestinian NGOs Since Oslo: From NGO Politics to Social Movements?" (Spring, 2000), p. 19
613 Elbayar, K. "NGO Laws in Selected Arab States." (Sept. 2005), p. 21
but through the utilisation by Arafat of his security forces, along with the intimidation and coercion which accompanied, against NGO leaders and their supporters. In an interview with Basem Ezbidi, he recounted that the PA would put pressure on NGOs through various means of violence, arrest of individuals, attack offices of certain NGOs, as well as through PA procedures and legal tools targeting NGOs as with rejection of registration or requiring minutiae information on employees and organisation.  

Eyad Sarraj, a psychologist by training and one of the most prominent Palestinian human rights activists, was at the time the Commissioner General for the Palestinian Independent Commission for Citizens’ Rights. In my interview with Sarraj in Ramallah, West Bank, he related how he established several community health clinics across the Gaza Strip upon his return from studying aboard in UK and Egypt. Witnessing PA human rights violations, Sarraj in his capacity as the Commissioner General publicly criticised the PA, in particular Arafat. In an article published in the New York Times, Sarraj accused the PA of being corrupt, dictatorial and oppressive. He was arrested by the Palestinian Security Forces and imprisoned for defamation and various concocted ‘offences’. In prison, Sarraj related how he was tortured and put in solitary confinement, released, and then re-arrested on additional charges that had no credible foundation when brought before the judges. Among the various charges were drug smuggling, defamation, assault, corruption and harming the public interests, accusations cited as preposterous by his supporters. Furthermore, his clinics were searched by the PA Security forces, who declared they had ‘found’ stashed marijuana,

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and staff members were threatened to testify against him, which was later revealed as planted.\textsuperscript{617} However, Sarraj recounted, it was later revealed that the drugs were ‘planted’ as part of the operation. His case received backing from numerous international human rights groups who put pressure on Arafat for his release.\textsuperscript{618} But before his final release, Sarraj was compelled to sign a statement confirming that he would abide by the law when publishing information about the PA.\textsuperscript{619} On the 5 August 1999, Sarraj was again summoned by the Palestinian Police after publishing an article which criticised Arafat for not ratifying the NGO law adopted by the PLC. He was held in questioning and told that he was not allowed to leave the country until further notice.\textsuperscript{620}

In my interview with Sarraj, he stated that Arafat’s prime mistake was putting him in prison: in doing so, Arafat had exposed himself to the criticism of the international community as his methods of suppressing dissident voices were bared for all to see.\textsuperscript{621} “I paid a price,” said Sarraj, "but I have no regrets. My imprisonment helped the cause of human rights in a way. It made people understand the importance of freedom of expression.”\textsuperscript{622} When the PA was questioned regarding the arrest and torture of Sarraj, Arafat’s spokesman, Marwan Kanafani, stated that “Dr. Sarraj had been interrogated for making hurtful accusations against the general national feelings and offending the president with no excuse.”\textsuperscript{623} While Saraj’s imprisonment presented a human rights

\textsuperscript{617} Sarraj, Eyad. Personal Interview. 22 July, 2008.
\textsuperscript{618} Sarraj, Eyad. Personal Interview. 22 July, 2008.
\textsuperscript{619} Bisharat, G.E. “Peace and the Political Imperative of Legal Reform in Palestine,” (Summer/Spring 1999), p. 281
\textsuperscript{621} Sarraj, Eyad. Personal Interview. 22 July, 2008.
\textsuperscript{622} Lewis, A. "Abroad at Home; Peace With Arafat?" (July 1, 1996)
\textsuperscript{623} Lewis, A. "Abroad at Home; Peace With Arafat?" The New York Times, (July 1, 1996). This author’s own italicisation of the original quote.
issue, it also exposed Arafat’s aim to suppress dissident voices from the NGO sector who present a challenge to this authority and governance.

As these struggles between the PA dominated Outsider elites and the counter-elites and NGO community progressed, a third political grouping became increasingly visible and influential within the political domain, the Islamic opposition. With the exception of 4 candidates from the Al-Aqsa Regiments (a split from the Islamic Jihad) and 2 candidates from the Islamic Struggle Movement—where none won a seat. The Islamist groups refused to participate in the 1996 election as a result were largely excluded from the domain of formal PA politics (the exceptions being those individuals who had ran as independents where 7 won seats). The refusal of either Hamas or Islamic Jihad as a party to recognise the Oslo Accords and the associated right of Israel to exist, and their disengagement from the political dialogue, had discredited them in the eyes of the international community as a legitimate partner for negotiation. However, as the PA proved progressively unable to deliver on either the democratic aspirations of the population or the peace process itself, the arguments of the Islamic groups gained local legitimacy. They developed into a political opposition that paralleled the work of the PLC and NGOs in challenging Arafat but went further, denying his and the PA’s very legitimacy.

THE ISLAMIC DETACHMENT

The reinterpretation of nationalist goals and aims, factional division, and competition for the collective aspiration had shaped the (reorganisation of) political identity in the

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Islamist groups, in particular Islamic Jihad, offered ideological and militant challenges to Israel and to the PA. However, the prominence and strength of Hamas in the West Bank and the Gaza Strip, its shift in role to become the main opposition to the PLO/PA and Israel only became concrete following the breakdown of the 2000 Camp David Accord. Additionally, the rampant corrupt and neo-patrimonial practice of the PA, its perception to have co-opted many of the counter-elites, the Palestinian people became disillusioned with their leadership. Consequently, Hamas’ consistency in criticising PA leadership and their corruption (where many of Hamas’ leadership were arrested by the Palestinian security apparatus) became the main opponent contesting the legitimacy of the PA (and its officials) as a governing entity and the Peace Agreements to offer any viable solutions or path towards reaching a solution for the Palestinian question.\(^{626}\)

Hamas’ initial reaction to the establishment of the PA had been disdain: its leadership questioned both the status and power of the PLO as a representative negotiating body, and the nature of the concessions it had made to Israel. Instead, Hamas argued for both an on-going struggle against Israel and the simultaneous Islamisation of Palestinian society. In 1993, and despite some popular sympathy with their position, Hamas was unable to convince the broader population of its own credibility and legitimacy as an alternative to the PLO, and the viability of continued Intifada against Israel. Furthermore, it was unable to prevent the PLO’s signing of the Oslo Agreements, its


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return to the OPT, or the establishment of the provisional PA (and the PLO’s domination of it).  

For Hamas, the 1996 elections provided a political space in which to challenge the legitimacy and actions of the PA through social and ‘political’ activities, although it refused to participate in them on the grounds that this would in turn legitimise both the PA and the Agreements with Israel. Hamas maintained their non-participatory stance to demarcate their own non-compromising position to what they believe were Israeli and U.S./Western co-optation of PA and PLO elites. To have acknowledged the Oslo Accord and Israel’s right to exist—by participating in the elections—would contradict their entire political ideology, making their political position untenable. The simplicity of Hamas’ ideology of Palestinian nationalism encompassed in social change that could be accomplished through Islamisation—which differed from the secular counter-elites’ espousal of nascent democratic processes, and the Outsider elites neo-patrimonial approach, both of which included political dialogue with Israel and an increasingly detached attitude from the masses in the post-Oslo period—gained Hamas increasing popular support.  

Nevertheless, Hamas’ refusal to participate in the 1996 election initially created a backlash in terms of popular withdrawal of support. However, concerned that non-participation would make them irrelevant, and in response to demands from their own members unofficially they encouraged members to run as independents for the parliamentary election. It was of little surprise given their high profile political and

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627 Kristianasen, W. “Challenge and Counterchallenge: Hamas's Response to Oslo.” *Journal of Palestine Studies* 28, no. 3 (Spring, 1999), pp. 19-20
social activities during the latter stages of the Intifada that some of the Hamas candidates running as part of the Islamic independents were elected to office despite the overarching Fatah hegemony. However, part of the reason that some of the Islamic candidates were able to successfully win seats derived less from the Hamas’ popularity than from the fact that many had fought alongside their Fatah counterparts during the Intifada and, having served in grass roots leadership roles and often been imprisoned for their political activities, they thus had personal legitimacy within local communities. Nevertheless, as Jamil Hilal observed, as a result of Hamas’ refusal to officially participate in the 1996 election, and despite the election of Hamas Independents, the popularity of the movement reached an all time low of a mere 10 percent of popular approval.

To demonstrate their on-going opposition, Hamas sponsored a series of suicide and bomb attacks through their military wing, *Izz al-Din al-Qassam* Brigades, against Israel. Hamas’ rationale behind the sponsored series of suicide and bomb attacks against Israel was not only to delegitimize the PA, negatively influence the peace process, but also in reaction to Israeli actions. Furthermore, the attacks took place (though not always) strategically following significant events. In the period of nine days from 25 February to 7 March 1996, Hamas carried out four suicide bomb attacks which claimed over sixty lives, mainly Israelis. The ‘timed’ bombing occurred exactly forty-days following the traditional mourning period for the Hamas’ chief bomb maker, Yahya Ayyash, who

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was assassinated by the Israelis on 5 January 1996. Also during this period, which followed 1996 election and in light of Arafat’s claim that he had popular mandate to pursue the peace process which would include curtailing armed resistance, Hamas conducted the abovementioned series of attacks where Arafat was blamed for giving authorization. In response to the bombings, Israel arrested approximately 1000 Palestinians from the West Bank disregarding PA jurisdictions which illustrated Arafat’s and the PA’s lack of sovereignty and powerlessness vis-à-vis Israel. In March 1997, days after the breakdown of talks between Arafat and the Israeli government, where Arafat rejected Israel’s decision to limit land transfers to Palestinian and in its place build settlements between Jerusalem in Bethlehem, Hamas carried out a bomb attack at Café Apropos in Tel Aviv whereby Arafat was again accused of being in collusion with Hamas. Hamas’ (as well as Islamic Jihad’s) armed activities also questioned Arafat’s ability to control opposition groups, provide security for Israel, and his sincerity in pursuing the peace process.

Interestingly, reminiscent of the dichotomistic characteristics of its ideological roots the Egyptian Muslim Brotherhood with Hassan al-Banna’s social change and Sayd Qutb’s revolutionary approach, in parallel to their armed resistance activities, Hamas dedicated special attention and investment to their charity organisations where they cater to dispossessed Palestinians in the West Bank and Gaza Strip. Their charitable organisations supply much needed humanitarian, social, educational and health services

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through their charities in towns and refugee camps that, as they pointed out, existing institutions (in this case the PA) failed to provide.636 According to a 2000 conference address by the Union of Palestinian Medical Relief Committees (UMPMR) president Mustafa Barghouti, a physician and political activist, Palestinian NGOs’ provision of social services in the OPT had not greatly decreased in the past four years. In the OPT, NGOs (inclusive of Hamas’ charity organisations) have been the main provider of these services (usually provided by the state) where they provide nearly 60 percent of health care services, manage 42 percent of hospitals and 90 percent of disability rehabilitation centres, and approximately 100 percent of preschool education services.637 The provisions of social services escalated the reputation of the providers. In this case, Hamas (through their charitable organisations) was endowed with legitimacy as a social movement organisation and a political entity to address the grievances of the occupation.

But despite being the new “main” opposition (particularly Hamas) to Fatah, the PA, and Israel, the Islamist groups did not gain real ground against the more popularly supported PA-dominated Fatah group for some time. According to polls taken between March 1994 and April 2000, support for Islamist groups still ranked far below the more dominant Fatah group; popular support for the Islamic groups hovered at around 15 percent, Fatah at 42 percent, the combined left-wing at 8.3 percent, non-affiliated individuals at 20.9 percent and others638 at 13.8 percent.639 Only after the breakdown of

the 2000 Camp David Accord was there was an observable steady increase in popular support for the Islamic groups.

The disillusionment with the peace process and the failure of the 2000 Camp David talks to produce any resolution to the Palestinian question and disputed issues i.e. Jerusalem, refugees and right of return, *al-Haram al-Sharif* (the Temple Mount), and Israeli security culminated in the 27 September 2000 Palestinian Second Uprising (al-Aqsa Intifada). Although there was already a breakdown in the Israeli-Palestinian talks following the 2000 Camp David Accord, the catalyst which sparked the al-Aqsa Intifada was Likud opposition leader Ariel Sharon’s insistent visit to *al-Haram al-Sharif* which was a holy place for the Muslims. Sharon’s visit to the Muslim’s third most holy site *al-Haram al-Sharif* accompanied by a thousand armed Israeli soldiers (and accused by Arafat as being with the permission of the Israeli government) was perceived by Muslims as a deliberate provocation to illustrate Israeli power and claimed control over the site.640

The Second Intifada consolidated the support for the Islamic groups, particularly Hamas, and specifically in the refugee camps, where refugees were the most excluded from the post-Oslo process.641 The renewed militantism of the Palestinian population was not confined only to Islamist groups. The Second Intifada saw the establishment of the al-Aqsa Martyrs’ Brigades, a group affiliated with the military wing of Fatah which demonstrated how widespread the frustrations with the failed Oslo process had

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become.\(^{642}\) The Israeli government, meanwhile, accused the PA leadership of planning the Intifada as a means of regaining the international diplomatic initiative.\(^ {643}\) The PA was also charged (which they vehemently denied) with colluding with the Islamic groups, which took the most initiative in the more violent dimensions of the Intifada, through provision of financial resources and coordination of activities and attacks on Israel. The PLO in turn accused the Israeli government of using the al-Aqsa Intifada as an excuse to absolve themselves of any blame in the breakdown of the Camp David talks and to place the sole responsibility on the PA leadership. This breakdown of talks led to escalation of violence and attacks—Israeli incursions and arrests in the West Bank and Gaza as well as Palestinian suicide attacks against Israel.

The al-Aqsa Intifada produced a hybrid popular movement with a specified type of military activities.\(^ {644}\) The first suicide bombing of the al-Aqsa Intifada was conducted by the Islamic Jihad which started another lethal wave of suicide bombings after a year of ‘cease-fire’.\(^ {645}\) The Israeli Prime Minister Ehud Barak responded by implementing an IDF plan to pressure Arafat to stop the violence by targeting and attacking PA and the Force 17 personnel, offices and security posts.\(^ {646}\) While these strategies aimed to force Arafat to eliminate the use of violence, it had a reverse repercussion where violence escalated and weakened Arafat’s ability to control the Palestinian Security Force.\(^ {647}\) However, these strategic approaches used by Barak as measures of pressure became a de-facto routine policy following Ariel Sharon’s ascent to the Prime

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\(^{642}\) (Hasso 2005), p. 27  
\(^{643}\) (Mitchell May, 2001)  
\(^{644}\) (Usher, Facing Defeat: The Intifada Two Years On Winter, 2003), p. 24  
\(^{645}\) (Brym and Araj Jun., 2006), p. 1969  
Minister’s office in March 2001. At the commencement of his term in office, Sharon authorised, along with his cabinet, Operation Bronze which aimed to effectively destroy the PA and its security forces and to reoccupy PA controlled areas.

By May 2001, the Mitchell Report was published which sought to end the violence and resume talks. The Mitchell Report, which was commissioned after the September 1999 Sharm Al-Shaykh Summit to provide recommendations on how to prevent the escalation of violence and resume talks, recommended that in order to have a cease-fire, to build confidence between the two parties, and for the negotiations to resume, the Israeli government should halt all settlement building. Furthermore, the Israeli government should avoid 100 percent friction points particularly when Palestinians come in contact with armed Israelis. From the Palestinian side, they recommended that Arafat should renounce all forms of terrorism and make clear to the Palestinian people and all Palestinian political groups that “terrorism is reprehensible and unacceptable, and by taking all measures to prevent terrorist operations and to punish perpetrators.”

Moreover the PA should take all measures to “apprehend and incarcerate terrorists operating within the PA’s jurisdiction.”

Despite these recommendations, violence from both side persisted. Suicide bombing continued in 2001 with Hamas and the Islamic Jihad responsible for most the activities. Sharon’s Operation Bronze was fully implemented in 2002 whereby it successfully destroyed the Palestinian security infrastructure. By 2002, the al-Aqsa Brigade began to take prominence in these attacks alongside Hamas and the Islamic Jihad. By 2002-

648 (Mitchell May, 2001)
649 (Mitchell May, 2001)
650 (Mitchell May, 2001)
2003 it became evident that Arafat had been channelling support to the al-Aqsa Martyrs’ Brigades through financing, salaries, purchasing weapons and providing trainings for the military wing. Fatah’s internal directive which called upon its men to “use weapons sparingly, economize on munitions, and preserve the clandestinity of actions” was indicative of Arafat’s method of approach.\footnote{Nofal, M. “Yasir Arafat, the Political Player: A Mixed Legacy.” (Winter, 2006), p. 35}

Nevertheless, by 2003 the Israeli government had set-up new security lines and established buffer zones around Gaza to eliminate the resistant movement’s most prevailing demographic stronghold.\footnote{Esposito, M.K. “The Al-Aqsa Intifada: Military Operations, Suicide Attacks, Assassinations, and Losses in the First Four Years.” Journal of Palestine Studies 34, no. 2 (Winter, 2005), p. 86} This weakening of the Islamic groups’ powerbase by the Israelis resulted in two forms. First it gave the Islamic groups more credibility in both the West Bank and the Gaza Strip. Second it eliminated them as a prevailing force over Fatah led PA.

Some Palestinian scholars, as with Ezbidi, have argued that Arafat was counting and expecting the failure of the Peace Process and needed an alternative which came in the guise of a military wing.\footnote{Ezbidi, Basem. Personal Interview. 3 July, 2008.} However, what can be surmised is that the involvement of the al-Aqsa Martyrs’ Brigades denoted an internal division not only within Fatah but within the PA where Arafat was losing control not only over different factions within the territory but also with his security apparatus. The PA counter-elites sought the negotiation tables as a means to resolve the deadlock while Fatah’s militant wing believed that the more effective means to reach a final status talk is through combative attacks—both of which were supported by Arafat. This two-way approach toward the resumption of talks—formal with negotiations and informal with the military actions,
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was symptomatic of Arafat’s method of governance. Despite the perceived internal fracture between the counter-elites, they were still a cohesive group. Moreover in spite of various factions and elites’ reconciliation towards resistance, their political culture and behaviour did not change.

CONCLUDING REMARKS

This chapter has described and demonstrated Arafat’s early efforts to impose his Outsider PLO elites onto the new provisional PA and how this manifested itself into a strategy to co-opt, exclude or sanction Insider counter-elites. Most of the Insider Counter Elites sought to promote the democratic character of the new Palestinian political entity by engaging in the elections and institutions of the PA. However, Arafat used this early advantage, and the positioning of individuals loyal to him personally in key positions, to resist these efforts. PA counter-elites sought to bring Arafat and his Outsider elites to account through the institutions of the PA, and equally Arafat used his presidential position and his ability to co-opt, exclude or sanction individuals, to either resist counter-elite initiatives or simply by-pass them. The institutional weakness of the PA meant counter-elites could only impose their democratic will over Arafat when they had the support of Israel, the United States, or the International donor community.

The method of co-optation in the PA, which was an essential part of the political culture of the Outsider, allowed Arafat to incorporate, pacify, and persuade enemies and loyalists alike. It also provided him with the needed legitimacy and power. As the
PA sought to reinsert their power following the failure of each negotiation period for final status talks, they were faced by challenges for power from opposition groups, particularly the Islamic factions who offered an alternative approach to the PA’s unfruitful negotiations for a final status with the Israelis. The inability of the negotiations to move forward was due to the fact that the PA was bound by the terms of the Accords whereby if they failed to keep to all the stipulations (particularly pertaining security for Israel), it provided the Israeli regime with the legitimisation to suspend talks. The unrealistic demands on the PA particularly to ensure Israeli security as priority through the suppression of critics and Islamic oppositions, established (and encouraged) a system whereby the PA carried out undemocratic acts and human rights violations (contrary to the idea of establishing a ‘democratic’ governing entity) reminiscent of authoritarian regimes’ political cultures.

Elite struggle and divisions within the PA over unattainable goals, priorities, and Israel’s failure to adhere and implement responsibilities as stipulated in the accords, prevented the PA from developing further than its present form of a state-like structure with limited power which was rife with corruption and mismanagement. As a result of these machinations, complexity, and restrictions, Arafat used the informal and formal institutions to bypass restrictions dictated by the Accords. While the formal structure provided a legitimate edifice for the international political powers, the informal structure was used by Arafat to pressure the international powers and the international community to envision the alternative to the PA, which was not too promising especially with threats of rising political Islamic groups. As such, Arafat’s manipulation of the informal and formal systems became one of the major contributors.
to his later decline in legitimacy due to the methods of ‘containment’ he and the apparatus under him utilised.

In order to maintain power, Arafat used methods of politics of survival where he allocated (or withheld) posts in the government according to an individual’s degree of loyalty, or threat to him, which eventual became part of the system. Moreover, it provided the Outsider elites with the tools, due to their occupying significant positions in the new government as a result of their loyalty to Arafat while in exile, to dominate and dictate PA policy and process. This became a major obstacle for the counter-elites, who were often in periphery offices or positions, to formulate a government which reflected their ideas of ‘democratic’ processes.

However, the counter-elites were themselves weakened by being placed in a position to choose whether they wanted to be part of a government ruled by Outsider rules, or to remain as oppositions in which case they could be excluded from the decision making process. Individuals who chose to openly criticise Arafat were sanctioned by other colleagues, who saw them as fragmenting the national unity that was necessary to retain a credible negotiating position vis-a-vis Israel, or because they themselves were unwilling to directly challenge Arafat’s power. Opposition to Arafat, as the symbol of Palestine, was perceived as questioning the Palestinian national movement itself. Arafat as the imagined symbol of unity, bridging the Inside and the Outside and representing Palestinian resistance as a whole, was to some extent sacrosanct and exempt from reproach. This belief (though had waivered at times but never disappeared) that Arafat can bring a resolution to the Palestinian question allowed him
to manipulate the system in order to centralise and personalise power in himself and the position of the President. It also enabled him to combine his formal position as President with his informal position as head of a neo-patrimonial and largely informal network.

The Counter-elites on the other hand did not just set aside the democratic process. Rather, following their appointment and election into office, they struggled to assert their democratic political culture into the governing and decision making process. Progressively they were excluded from power to do this. Consequently the democratic counter-elite forces were fragmented as certain groups within sought to either the change the system from within, from the outside, or accommodate the new neo-patrimonial system. As a result, there was an emergence of another component of the counter-elite to address local needs and challenges in the shape of political Islamists. A democratic political culture still existed in the Palestinian insider population which demanded that the political leadership adhere to democratic principles. However, the formal political structures progressively excluded its expression whereby the political Islamists—whose rhetoric was Islamist though was shaped around a ‘democratic’ manner of operation—came to provide that role of representation for the Palestinian population.

The inability of political actors and opposition groups to have an open political space for inclusive decision-making, and to enforce the implementation of policies demonstrated that this was not a state. However, the PA behaved as a state particularly with its given responsibilities as set up by the Oslo Accords. International donors and actors like Israel, U.S. and EU could still impose their own preferences and influence.
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on the domestic and international affairs of the ‘state’ which suggests that Arafat’s outsider elite were not entirely autonomous and that the democratic counter-elites can use this to advance their own ends. Moreover it denotes that international actors and donors’ main concerns were the peace process, as well as each donor/state’s thematic goals whether in development, democracy, human rights, women empowerment and so forth.

However, as opposition to the PA’s legitimacy increased and the viability of the DOP was questioned and challenged, the PA’s undemocratic and despotic behaviour began to be more apparent as it sought to silence critics. The peace agreements presented a double-edged sword for the PA. Although it granted them the authority to rule, it simultaneously took away their autonomous power as a governing entity. It limited the PA in their capacity to challenge the Israeli regime for fear of losing legitimacy with the international community. Yet at the same time, to remain accommodating to Israeli demands also challenged their legitimacy with the Palestinian people. It therefore required Arafat to balance a parallel governing system where the PA would assure its survival and gain legitimacy from both the Palestinians and the international powers. It ultimately sustained corruption as the modus operandi of the PA which permeated every aspect of the institution. This will lead to the next chapter in analysing the level of corruption in the PA.
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INTRODUCTION

The thesis thus far has indicated how the neo-patrimonial political culture of the Outsiders was imported into the Palestinian Territories after 1993, despite it not mapping onto the prevailing political culture within the Palestinian Territories or of the Insider counter-elites. This imported political culture, which endorsed corruption as a political tool, pervaded every aspect of society as corruption became the *modus operandi* for the PA and a normalised mechanism for survival vis-à-vis external powers, economic donors, and the domestic political support base. The PA’s lack of legitimacy, and its inability to either make progress in peace negotiations or establish its own absolute control over the PA institutions, led the Outsider elites which dominated the PA structures to resort to developing informal networks and neo-patrimonial practices to shore up their domestic political base, consequently suppressing democratic principles and possibilities. Arafat used corruption to subdue criticism, ensure loyalty and control, and retain his personal political power. Tools such as the allocation of monopolies and the distribution of rents such as economic aid were used by Arafat and his allies to co-opt and silence opposition, weakening counter-elites both directly and by further undermining the efficacy of the institutions through which their political culture (a nascent democratic political culture) might otherwise have held him to account. Previous chapters argued that this was the result not least of the PA’s lack of sovereignty, and the inability of formal political institutions of government to
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make autonomous decisions. The PA’s economic dependency on external donors and the political pressures imposed by the U.S. and Israel which put Israeli security above Palestinian democracy and which constantly shored up Arafat as the key agent to guarantee this, created insecurity and uncertainty among Palestinians, undermined confidence that the formal structures of the PA could deliver for them, and consequently encouraged and effectively endorsed corrupt behaviour.

This chapter will identify and examine the specific forms of corruption which were most prominent in the behaviour of Arafat’s PA. First, it will examine the allegations made of corruption, establishing the narrative of the evolution of corruption in the PA and the extent of its embedding. Secondly, it will identify some of the particular key actors involved, as well as the process by which the use of corrupt practices enabled a parallel system of rule to evolve. Thirdly, the chapter will demonstrate how the U.S. and Israeli governments effectively endorsed this form of practice. Fourthly, it will assess how Palestinians more widely came to view and understand the corruption and finally, it will examine the function of rent in the development of the PA, its influence on the PA elites, and its role in supporting the embedding of corrupt behaviour.

RUMOURS AND ALLEGATIONS OF CORRUPTION

Research on corruption is often frustrated by either the undisclosed, unrecorded or absent documentation of transactions which might be classified as corrupt. The difficulty in tracking corruption is that no party would intentionally leave a paper-trail in the wake of such ventures that will directly link them to the activities. Transactions generally transpire in a covert manner, disguised under the cover of other legitimate transactions, or pushed through during periods of political chaos when evidence can get
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‘lost’ in the paperwork, or can be legitimised through a ‘consensus’ of the majority of the moment. If the original revolutionary nature of the PLO made it predisposed to employing informal networks and neo-patrimonial behaviour, the objective circumstance surrounding the establishment of the PA were equally conducive in their uncertainty, novelty and political pressure.

Following the signing of the Oslo Accords, international donors—U.S., Japan, E.U., Norway and Saudi Arabia—pledged an estimated $3.6 billion USD to be disbursed over five years. The arrival of the provisional Palestinian Authority leadership into the Gaza Strip in 1994 brought with it enormous changes to the Palestinian economic landscape. Monetary assistance was pouring into the OPT from the international community through intermediaries like the World Bank and to some extent the EU, all eager to demonstrate their support for the new peace process. Initial domestic problems for disbursement of international donations resulted in donors setting up the World Bank Holst Fund. By the end of 1994, it was estimated that $484 million USD were disbursed through the development plan. From donor countries, the main donors were the EU with $151 million USD, the U.S. $85 million USD, Japan $82 million USD, and the Arab countries and Arab Fund $104 million USD. Additionally, $51 million USD was distributed to the PA and to PEC DAR.

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655 Halevi, I. "Self-Government, Democracy, and Mismanagement under the Palestinian Authority." (Spring, 1998), p. 36
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The Gaza Strip was soon transformed by “the Tunisians”, with conspicuous new wealth, night clubs, alcohol, lavish villas, domestic servants, Mercedes cars, indolent chauffeurs, and hotels and restaurants serving the Tunisian Outsider elites. The blatant display of their wealth, and their unfamiliar activities and conduct, set them apart as a new elite for the area: most Gazans were still recovering from the economic impoverishment caused by the First Intifada. Much of the Palestinian infrastructure had been destroyed and the local leadership were imprisoned, dispersed or just returning from the exile. The entire society could be said to be going through a state of social and political reconstruction. As a result of the distinct lifestyles and behaviours of the local society and the Outsiders, combined with the fragility of the new state structures, there developed an initial sense of distance, distrust, and even abhorrence of the Outsiders. However, the situation also created opportunities for individuals to gain wealth and status in the new government. As Rex Brynen observed, “[w]eak institutionalization and imbalances in social power... encouraged the appearance of opportunistic and parasitic forms of criminal corruption.”

When the PLO came into power through the establishment of the Palestinian Authority, their former status as resistance fighters was transformed into a role, nominal, at least, entailing the formal duties and responsibilities associated with running a ‘state’-like structure. However, the PLO Outsiders did not find it necessary to change any of their former practices. In an interview conducted by As’ad Ghanem with Husam Khader from Nablus, a member of the PLC and a vociferous critic of the PA and of Arafat, Khader pointed to specific early incidents where the PLO’s mode of practice was

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659 Rubenberg, C.A. The Palestinians: In Search of a Just Peace, (Boulder, 2003), p. 254
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transferred and sustained in the PA.\(^{661}\) As evidence of the corrupt behaviour of the PLO
he referred to an incident during the 1988 Palestinian National Council’s first meeting,
of their eighteenth session, in Algiers, at which UNSC Resolutions 242 and 338 were
placed on the table for debate. Simultaneously, the personal bank accounts of PNC
members were being imbued with funds. As a result, he claims, both resolutions were
passed despite contradicting the founding goals and objectives of the PLO. Khader
likens this to a second incident at the 1996 PNC session in Gaza and at which the PNC
agreed to repeal the parts of the Palestinian National Covenant which called for the
destruction of Israel.\(^ {662}\) The PNC voted to recognise the State of Israel’s right to exist
and to live side by side in peaceful existence.\(^{663}\) In a letter from Arafat to President
Clinton in reference to their effort to change the PNC’s Palestinian National Covenant,
published on the State Department Daily Press Briefing on January 22, 1998, “All of
the provisions of the covenant which are inconsistent with the PLO commitment to
recognize and live in peace side by side with Israel are no longer in effect.”\(^ {664}\) Khader
argued that without financial incentives to and by PLO leaders, none of these acts and
resolutions – which were profoundly unpopular with sections of the population -would
have been passed by the PNC or PLC.

Unlike the defined regulations and duties normally established in formal state
institutions, the governing structure which the PLO established as the provisional PA,
and over which Fatah Outsiders presided, had no such clearly defined role and

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\(^ {662}\) Although the PNC voted to repeal part of the Covenant, they did not move to take ‘actions’ until
Arafat formally wrote a letter to President Clinton on January 13, 1998 to clarify that the PNC had
moved to change the covenant and now all parts that were inconsistent with the Oslo Accords were now
nullified. Look at (Arafat 1998)

\(^ {663}\) Lewis, A. "Abroad at Home; Peace With Arafat?" (July 1, 1996)

\(^ {664}\) The Anti-Defamation League. “Palestinian Commitments to Revise the Palestinian National

regulations. As such, it presented the idyllic situation to reproduce the informal networks and personalised practices of the PLO within the new governing structures. Consequently, the PA served as the ideal pivotal-point to manoeuvre resources destined for the government to co-opt or finance covert transactions. For example, a January 1996 report by the U.S. General Accounting Office (GAO) in response to a 1995 U.S. Congress request to analyse the authenticity of series of letters prepared by the PA’s Minister of Finance, Mohammed Nashashibi, and the Director General of PECDAR, Mohammed Shtayyeh, found issues of discrepancy. According to GAO, the letters indicated that approximately $138 million USD from unidentified sources was diverted in late 1994 to finance ‘covert transactions’. These ‘transactions’ included purchase of land and apartments in Israel, funding sympathetic groups towards the Palestinian cause in Israel, and financing a Palestinian journal. The various cases and allegations of corruption that emerged, where officials were misappropriating funds outside the parameter of state business, produced an image of unaccountability whereby the PA soon became synonymous with corruption and Arafat at the very centre of the web of corrupt practices. This process was to shape the entire nature and structure of the PA: as Bassam Al Salhi, a member of both the PLO’s Palestinian National Council and the PLC observed, there could not be any ‘real’ issue with corruption per se in the PLO because “there [was] no clear budget, [and no] clear finance.” The importation of the PLO’s political culture into the PA indicated that the attributes of a financial accountability which belonged to normal state institutions never existed in the first place.

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Azmi Shuaybi related in our interview that from very early on, the PA displayed forms of corruption that were reminiscent of PLO practices during their years of operation in the diaspora. These were not limited to the ‘traditional’ method of bribery found in many post-colonial states, but manifested themselves in more “modern” forms of neo-patrimonialism: political co-optation, nepotism, economic monopolies, embezzlement and the diversion of state rents. Evidence mounted that the trail of corruption led right to the very top of the PA, that it was the basic mode of operating for ministries themselves, not just a form of behaviour which existed alongside or in spite of transparent and accountable financial systems. In one case, for example, the Health Ministry itself was cited as covering up information leading to corrupt practices. The Health Ministry was in charge of transferring medical patients who were unable to receive medical attention inside the Palestinian Territories to medical facilities abroad. Dr. Ibrahim Abu Hmeid, who was appointed General Director for the Health Ministry and in charge of distributing transferred patients, was accused by various Jordanian hospitals of embezzlement and accepting bribes. A commission of inquiry was formed, composed of the General Control Office, the Health Ministry and the Public Employment Department to look into the case against Dr. Hmeid, who was charged with embezzling approximately 17,000 JDs. However, pressure from above (namely Arafat himself) was exerted to acquit Dr. Hmeid of all charges. Eventually Dr. Hmeid was let off ‘lighty’ considering the extent of his offences. As George Giacaman commented in our interview, corruption was a method of government practices approved through Arafat which became a *modus operandi* for managing the state, the state employees and officials, and its resources. Arafat, noted Giacaman, was not

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667 However this does not mean that those surrounding Arafat did not take advantage of this and took forms of bribery. However, bribery was not as problematic or rampant as other forms of corruption in the PA. Shu’aybi, Azmi. Personal Interview. 4 August, 2008.
personally corrupt in terms of amassing a fortune but he corrupted others so that he could make them beholden to him and so subject to control. While those around him benefited from his neo-patrimonial *modus operandi*, often amassing millions of dollars in the process, Arafat himself lived a very simple and un-ostentatious lifestyle: he personally prized power and authority above either his personal wealth or the national goal.\(^{670}\)

Corruption soon spread beyond the institutions of the PA. The weak state structure left all elements of society insecure and unprotected by formal processes and rules. As the former Minister of Supply, Abu Ali Shahin, himself a Fatah member, remarked during an interview conducted with him in Ramallah, West Bank, allegation of corruption was not to be limited to the PA but also applied to NGOs. The NGOs in the OPT were, according to Abu Ali Shahin, even more corrupt than the PA because the salaries of PA officials were a pittance in comparison to those of NGO directors and staff.\(^{671}\) More importantly perhaps, under Israeli occupation, and in the absence of a Palestinian state structure, NGOs had played a key role in both social welfare provision and political organisation. According to Khalil Shiha, Director of PARC, NGOs were created specifically in response, or to deal with, the Israeli occupation, to provide the services that the occupying administration neglected or failed to provide.\(^{672}\)

However, new NGOs soon emerged in the OPT as new international aid aiming to underpin the peace process started to pour in. As such, many that emerged at this period were in response to the peace process, international aid, and political dynamics within the OPT. In some cases, NGOs were established specifically to meet international

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\(^{672}\) Shiha, Khalil. Personal Interview. 28 July, 2008.
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donors’ interest but lacked grassroots interest or affiliation.\textsuperscript{673} NGOs began to concoct ‘community’ needs in order to match the sector where donor money was most concentrated.\textsuperscript{674} International development agendas began to take precedence over genuine local and domestic needs as the possibilities for rent extraction were realised. This practice of contriving local “needs” based upon international agendas for greater financial gain was not limited to NGOs: Abu Ali Shahin argues that it also extended to the PA. The weakness of the PLC and their inability to contain the ambitions of individuals, or to hold them accountable, led to many cases of the abuse of power, with PA officials diverting international aid rents into their own pockets to augment their capped salaries. As well as creating personal companies through which to channel international aid revenues, they developed private sector interests which exploited the opportunities presented by weak restrictions on their personal political influence.

**MONOPOLIES, TAXES, JOBS AND KICKBACKS**

In the OPT, given the limited and weak economic infrastructure and the dependency on external resources, the creation of monopolies in certain sectors was particularly damaging, serving to “inhibit free private-sector development and distort market prices,” \textsuperscript{675} and creating allocative and other inefficiencies. \textsuperscript{676} The absence of competition gives the monopolistic companies a carte blanche to dictate the terms and prices of the market. Internally, there is no incentive for modernisation or internal reforms because of the lack of, or weakness of, competitors and the guaranteed access

\textsuperscript{673} Jabarin, Shawan. Personal Interview. 5 July, 2008.
\textsuperscript{674} Tamari, Salim. Personal Interview. 31, July 2008
\textsuperscript{675} Brynen, R. *A Very Political Economy: Peacebuilding and Foreign Aid in the West Bank and Gaza.* (2000), p. 143
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to the market. Limited scope for competition deterred investors, stalled economic reform processes and prevented the establishment of viable, long-term sustainable economic ventures. The ‘positive’ elements that monopoly could bring to the state, such as capturing certain sectors back from former Israeli control (as in cement and petroleum) were insufficient to outweigh the negative aspects of monopolies.

This behaviour deterring competition and dominating the markets was common in the PA monopolies where figures from the PA leadership and their families or friends economically benefitted. The PA itself had full ownership as well as part-ownership of ‘public’ companies, giving it monopolies over certain sectors of the economy. In the PLC’s 1997 Corruption report, it was noted that the original GCO had failed to report on the non-tax revenues of three of the PA’s major companies: the Tobacco Commission, the Petroleum General Commission, and the Palestinian Commercial Service Company (PCSC Cement Company) which held some of the major contracts with international companies, donors and governments for development projects in the OPT. The PCSC company for example, which was established in 1994, was set up to “meet the Palestinian market need for cement at competitive prices” Public companies which enjoyed monopoly status in the OPT were regularly accused of racketeering, extortion, pocketing funds, as well as funding the “off-the-books” expenses of the PA. There was also evidence of emerging semi-private/semi-public monopolies operating in the OPT. It was estimated that there were around 27 such companies in 1997, with control over import trade in various areas including “fuel, cement, gravel, cigarettes, flour, steel, building materials—typically with an exclusive Israeli supplier and one of the myriad PA security agencies” and the PA was unable or

unwilling to control them. Two major companies which were implicated in these types of activities, and which were closely linked to Arafat’s office, were the PCSC—headed by Arafat’s economic adviser at the time, Khalid Salam, and the Sharakat al-Bahr company which was co-owned by the director of Arafat’s office. Companies such as these, which were owned or co-owned by the PA and its officials, were eventually dismantled or privatised after their ownership and activities became public knowledge and caught the notice of donor countries and organisations.

Concerns were raised by some international donors and agencies regarding the way that the PA set up monopolies to cut out competition and control certain sectors of society and arguably to concentrate the money that was pouring into the OPT into one pot which sustained the PA’s own networks. These monopolies controlled the import trade in most lucrative sectors in society and cooperating exclusively with an Israeli supplier particularly in “fuel, cement, gravel, cigarettes, flour, steel, [and] building materials.”

By 1997, it was estimated that about twenty-seven or more of these companies were in full operational capacity in the OPT. PA control over monopolies hindered the development of the Palestinian society by being a competitor to local businesses. For example, when the PA was informed of a cement deal being signed by a group of local businessmen with Nesher cement company (Israeli), the PA rejected the agreement and replaced the local businessmen with their (PA) own members and partners.

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The 1997 PLC Special Committee Report which looked at the Palestinian General Control Office (GCO) 1996 Corruption Report did not engage itself thoroughly with issues of PA monopoly because the matter had not been dealt with in the GCO report and they were specifically instructed to investigate only the issues raised in the GCO report. Nevertheless, this did not signify that the PA did not engage in monopolistic ventures or that it not problematic. Rather, Arafat and the PA were notorious for granting monopolies to commercial agencies and well-to-do businessmen in order to assure allegiance and indebtedness to him. These monopolies were based on favouritism, kickbacks and on personal contacts which established a power base for Arafat but ultimately at the expense of the private sector. Nevertheless, they were – for Arafat - a necessary tool for the survival of the PA regime and one which Arafat and the Outsider elites capitalised on and developed.

Shu’aybi recounted in our interview that the PLO and PA officials’ monopolies were supported by Arafat because they generated profits which were transferred to auxiliary accounts and used for Arafat’s ‘non-PA’-related and personal transactions. The individuals whose names the businesses were under also benefitted from such an arrangement because they were given dividends from the earnings as well as influence over other businesses that were dependent on their patronage. In some cases, Arafat turned a blind eye to certain ‘behaviours’ which held individuals beholden to him. Many of the PA leaders either set up their own personal businesses on the side and supplementary to their government duties and/or received kickbacks for their role in setting up business deals, partnerships between foreign and local companies or giving specific companies exclusive contracts or access to a certain market. A case in point

involved the Ministry of Post and Communication, whose leaders were accused of “misconduct of official position”. The head of the General Control Committee requested the Minister of Post and Communication to respond to serious allegations of legal and financial offences, official powers apparently having been exercised for the benefit of companies working with the Ministry. The minister himself was not implicated because he was not the Minister of Post and Communication during the time of the offences. However the Deputy Assistant of the Ministry, Zuhair Allaham, and the Direct General of the Ministry, Muhammand Skaik, were identified as having struck up deals with foreign and local companies for personal gain. Skaik was accused of expanding Gaza Operator and establishing a new building for the Ministry of Post and Communications in Gaza in collusion with specific companies and architects.687

This sort of activity sidelined and excluded other companies who were more competent and fitting for the types of projects sought by the ministry, i.e. contractors, architects. The ministry officials had sole hold on the competition for contracts and the exclusion or inclusion of other companies. The PLC Special Committee also raised the issue of the Ministry of Post and Communication employees using official phones for personal use which were paid for by public money and consequently pointed to an agreement signed between the Ministry of Post and Communications and the Palestinian Communication Company.688 When the PLC Special Committee requested a copy of the agreement, the Ministry refused to supply the document for review. Ministry officials were also questioned over allegations they had received kickbacks from the Palestinian Communication Company for the ‘partnership’. The PLC Special Committee recommended that the case be handled by the Executive Authority of the

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PA and that the two main actors (architects Bassam Hamdouneh and Ayman Matar) as well as other actors involved in the allegations be brought to justice. However, like many other cases of corruption in the PA particularly involving high officials and ‘associates’ of Arafat, the charges were either dropped or ignored.

The building frustration over the lack of adequate legal provisions and the failures to implement what law there was, or to hold officials and perpetrators accountable, was voiced by Hussam Khader, a PLC member from Nablus and a vociferous critic of the PA and of Arafat. He publicly accused PA officials of acting like a mafia group, controlling and monopolising the economic sector, lacking ethics, and creating incitement against the PLC, and seeking to keep the government weak in order to continue their unmonitored illicit activities. Khader related how a certain minister who had a monopoly over flour sales in the West Bank had gained a special “import permit” from his friend, the Minister of Supply (Abu Ali Shahin), for a shipment of 5000 tons of flours from Romania. As a result of his lack of knowledge about proper storage, the flour was spoiled. However, he was rescued by a deal with an Israeli company who came to Nablus in trucks, conveyed the flour to Israel, repackaged the spoiled flour in new packages, and sold them to the Palestinian market. When the PLC investigated the allegations, Shahin ordered his Chief of Staff not to provide any information to the PLC investigation committee. This Shanin, Ha’aretz correspondents Ronen Bergman and David Ratner argued, was the same Fatah activist

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690 Rubenberg, C.A. The Palestinians: In Search of a Just Peace, (Boulder, 2003), p. 257

As a result of these economic manipulations, international aid to the PA - which was designated as a means to strengthen the PA, develop its institutions and infrastructures, and consolidate its political capacity - became a financial resource to sustain bloated public sector employment, to buttress political factions and PA supporters, and to mollify opposition, through Arafat’s personalised administration.\footnote{Brynen, R. \textit{A Very Political Economy: Peacebuilding and Foreign Aid in the West Bank and Gaza.} (2000), p. 144} Corruption in the PA was thus described as being encouraged and protracted by “the influx of external resources, the uncertainty of transition arrangements, and the weakness of existing institutions.”\footnote{Brynen, R. \textit{A Very Political Economy: Peacebuilding and Foreign Aid in the West Bank and Gaza.} (2000), p. 144}

The weak state structure has no institutional capacity for adequately recording joint entrepreneurial projects, or to restricting the monopolies which emerged, discouraging genuine investors.\footnote{Rubenberg, C.A. \textit{The Palestinians: In Search of a Just Peace}, (Boulder, 2003), p. 258} For example, a PA official would contract with an Israeli counterpart (firm or individual) to purchase a product in bulk at a given price; the official would then sell the product on the Palestinian market at an inflated cost. The profits that proceed from the transaction would be for his personal gain. If Palestinian merchants could access the same product, from a different market, at a lower rate they
would be visited by the PA security apparatus to “convince” them to purchase only from the PA official.  

PA officials similarly had a monopoly over the lucrative fuel sector. At the time of the April 1994 Paris Protocol, the West Bank and Gaza Strip consumed approximately 40 million litres of fuel month. The Pedasco fuel company, jointly owned by large Israeli fuel companies (Delek, Paz, and Sonol), supplied about 65 stations in the West Bank and Gaza Strip with contracts until 2000. Under the 1994 Paris economic agreements, the PA was obliged to honour any contracts signed between Israeli companies and Palestinian customers before the protocol without interference from the PA. However, in a move which violated this protocol, Jibril Rajoub—the chief of the West Bank’s Preventive Security Forces—had an ‘agreement’ with Dor Energy whereby his security apparatus forced station owners to purchase only Dor Energy fuel. To assure that Pedasco did not tread on their territory, Rajoub’s security apparatus blocked Pedasco trucks from entering the OPT. Complaints regarding the takeover were turned down by the PA. Pedasco filed an injunction against Dor Energy in the District Court but lost the case on the ground that the station owners had signed contracts with Pedasco whereas Dor Energy had a contract with the PA. Therefore Dor Energy was not responsible for station owners rescinding on their contracts. Consequently, Rajoub’s domination over this sector allowed him to take kickbacks from Dor Energy as well as to impose

further taxes on the station owners’ vis-à-vis additional financial supplements, the profits accruing to the accounts and operation of the Preventive Security Forces.\textsuperscript{698}

Another case of using official position for kickbacks and giving monopoly-status to a business partner involved the PA Health Ministry in Gaza where certain drugs, which were officially banned in the West Bank due to their failure to meet health regulation requirements, were used and distributed by the health ministry in Gaza. It came to light that certain PA officials used their power in office to approve and set up a coalition in Gaza with a pharmaceutical company, Al-Shifa’ Company, to be the distributor of drugs to the Health Ministry thus stamping out legitimate and qualified competitors. Many of the drugs which were rejected in the West Bank due to packaging issues, expiry dates, and the registration of drugs laws, all of which related to criminal offences’ and which potentially dangerous to patients, were approved, relabelled and put on the ‘market’ by the Health Ministry.\textsuperscript{699} Dr. Ziad Sha’th, who was then general director of the pharmacy, was charged with deliberately and malignly giving his consent for the Al-Shifa company to provide/sell unregistered drugs to the ministry. Furthermore, it came to light that the Al-Shifa company collaborated with other officials of the PA, including Khamis Najjar, who was at the time General Director at the ministry in Gaza and the Civil Affairs Minister, and Jamil Tarifi (who was also cited in other cases of corruption), in order to convey these unregistered drugs from Egypt, under the ‘assumption’ that they were donated goods, through the Rafah Crossing which received Customs and VAT tax exemptions. The drugs were then sold


\textsuperscript{699} Jerusalem Media & Communication Centre. The Palestinian Council. (Jan., 1998), pp. 141–142
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to the Ministry with VAT and Custom tax fees.\footnote{Jerusalem Media & Communication Centre. The Palestinian Council. (Jan., 1998), p. 141-142} The PLC 1997 report requested that the Al-Shifa drug case be transferred to the PA Attorney General’s office for prosecution alongside with PA officials and ministers who were indicted in the case. However, the recommendation met only mild ‘indignation’ but with no real reprimand.

Arafat was able to manipulate the tax system more generally: in the absence of a clearly-defined system for directly collecting and transparently re-allocating “government” revenues, the PA was only partially accountable for their distribution. As a result of the 1994 Paris Protocol, the PA was entitled to four different types of taxes to be collected by the Israeli government on their behalf: Value Added Tax (VAT); excise taxes on fuel, tobacco and alcohol; income taxes collected from Palestinian labourers (from the OPT); and health taxes.\footnote{Bergman, R. and Ratner, D. “The Man who Swallowed Gaza.” Israel Ministry of Foreign Affairs. April 4, 1997. http://www.mfa.gov.il/mfa/archive/articles/1997/the%20man%20who%20swallowed%20gaza%20-%2004-apr-97 (accessed December 14, 2010)} Israel would deduct their service charge and remit the taxes to the PA. It could further subtract PA debts towards the Bezek Electric Company and Israeli hospitals.\footnote{Bergman, R. and Ratner, D. “The Man who Swallowed Gaza.” Israel Ministry of Foreign Affairs. April 4, 1997. http://www.mfa.gov.il/mfa/archive/articles/1997/the%20man%20who%20swallowed%20gaza%20-%2004-apr-97 (accessed December 14, 2010)} Of interest here is the way in which the PA leadership requested that the taxes be transferred. The PA’s Chef de Bureau and economic advisor, Muhammad Rashid, requested from the Israeli government that the tax money collected on their behalf be deposited into four different accounts in the Arab Bank and Palestine Bank in Gaza. Moreover, Rashid requested that a secret account be set up at the Bank Leumi’s Hahashmonaim branch in Tel Aviv. Although the PA requests “raised Israeli eyebrows” and they were aware of the implications of such a non-transparent request, they decided to disengage themselves from the
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Palestinian domestic economic problems, not question the PA’s motive, and consequently proceeded with the PA demands.\(^{703}\) The Israeli government’s indulging these PA demands, with the full knowledge that it is illegal and informal transactions for an official governing body, illustrated the Israeli government’s support and encouragement of PA corrupt behaviours. This can also be defined as corruption by misusing their official power. Tax transfers to PA accounts amounted to approximately 72 million NIS in 1994, 792 million NIS in 1995, and 1,391 million NIS in 1996.\(^{704}\) Critics have alleged that these were in actuality PLO accounts under the personal control of Arafat and Khalid Salam (Mohammad Rashid) which clearly undermined the financial transparency of the PA.\(^{705}\) Moreover, it deprived the PA of correct accounting procedures\(^{706}\) by deliberately merging the PLO with PA institutions. Azmi Shu’aybi recounted in our interview, that the co-operation between Israel and the PA (Arafat) was further evident when the money was transferred to approved accounts under the names of Ministers or close associates of Arafat i.e. Khalid Salam and Mohammad Nashashibi, who at the time was Minister of Finance.\(^{707}\) The tax revenues transferred did not have any stipulations attached to them. It was requisite-free and was placed in a transit account from which Arafat was able to transfer funds into other accounts for his

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\(^{707}\) Shu’aybi, Azmi. Personal Interview. 4 August, 2008.
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Specifically, the VAT and customs revenues were transferred to the PA’s Ministry of Finance, while excises from petroleum were deposited into a “secret” account in Tel Aviv only accessible to Arafat and Mohammad Rashid. However, domestically collected excises from tobacco and alcohol and profits from PA commercial activities and monopolies were transferred to outside accounts not affiliated with the Ministry of Finance.

According to an International Monetary Fund (IMF) report, between the years of 1995 and 2000 approximately $591 million USD in excise tax revenues was diverted outside the Ministry of Finance. It appeared that most of the diverted excise tax revenue from the Ministry of Finance was invested in PA commercial operations that were facilitated by the PA subsidiary companies like the Palestinian Commercial Services Corporation (PCSC) as well as in their monopolies. These lucrative PA commercial investments generated considerable profits which were again diverted from the Ministry of Finance budget. It was estimated that from 1995 to 2000, excise tax revenues and profits from these monopolies and commercial investments diverted from the Ministry of Finance budget exceeded $898 million USD.

Although these subsidiary public companies and monopolies were presented as entities which would help develop and improve the public sector, create jobs, and improve the Palestinian economy, in reality, profits from these companies were funnelled back into

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the companies or coffers of PA senior officials who were running them.\textsuperscript{711} International donations and tax revenues collected domestically and from the Israelis were diverted to either an auxiliary fund, set up by Arafat, to finance the inflated public sector, or to the Ministry of Finance to pay off debts and overheads but not into genuine state capacity building.

The revenues were also used to distribute patronage and buy political support through generating public sector employment. However, the inflated public sector soon became problematic for the PA, forcing it to cut the other budgets of departments in order to meet salary demands. As General Danny Rothschild, Israeli government activity coordinator in the OPT at the establishment of the PA observed, the PA did not start with a clean slate. Instead of removing the existing 21,000 employees which were supposed to be dissolved with the departure of the Israeli Civil Administration (mainly Palestinians with the exception of IDF soldiers), the PA added 20,000 clerks who returned with Arafat from Tunis and an additional 40,000 policemen and security apparatus officers which created an unjustifiably inflated public sector.\textsuperscript{712} The PA did not redefine its needs, its structures and employee composition to support the PA institutions. Bassam Al-Salhi noted in our interview that Palestinian society became highly dependent on the employment provided by the PA, which became the main employer of the OPT and which created jobs that often duplicated, overlapped or had no real function.\textsuperscript{713} By September 1998, the number employed by the PA was estimated


\textsuperscript{713} Al-Salhi, Bassam. Personal Interview. 18 August, 2008.
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at 90,000 and wage costs consumed around 12 percent of Palestinian GDP and about 55 percent of Palestinian recurring budgetary expenditures.\textsuperscript{714} Ten years later in 2008, there were approximately 160,000 people employed by the PA which, according to an interview with Al-Salhi, was profoundly detrimental to the political and economic development of the OPT. The numbers placed pressure on the volatile budget of the PA which, Al-Salhi remarked, was then limited in its ability to work on development projects.\textsuperscript{715} Even Muhammad Dahlan, as head of PA Preventive Security in Gaza, could not account for the exact number of employee in the security apparatus. He estimated the inflated number to be at about 50,000-60,000 actual employees compared to official reports of 20,000-30,000 employees.\textsuperscript{716}

According to Dahlan, Palestinian society viewed this employment, although a burden on the PA, to be a “social issue” because all loyal political activists who had served time in prison and actively participated in the Intifada were entitled to be taken care of. The PA was obliged to provide an individual with a job for their service and loyalty.\textsuperscript{717} This social pressure also compelled the PA to divert some of the international funds intended for more sustainable development into the PA civil service budget. In doing so, the PA was able to confirm its legitimacy and expand its base of dependent supporters. The PA’s Deputy Minister of Economics and Trade, Dr. Mahr al-Kurd has also argued that the over exertion of the public sector, and the diversion of development finances into this auxiliary fund, was an essential obligation, a positive aspect of the Palestinian economy, and a great economic achievement for the PA. To clarify this

\textsuperscript{714} Brynen, R. A Very Political Economy: Peacebuilding and Foreign Aid in the West Bank and Gaza. (2000), p. 139-140
\textsuperscript{715} Al-Salhi, Bassam. Personal Interview. 18 August, 2008.
\textsuperscript{716} Brynen, R. A Very Political Economy: Peacebuilding and Foreign Aid in the West Bank and Gaza. (2000), p. 144
\textsuperscript{717} Brynen, R. A Very Political Economy: Peacebuilding and Foreign Aid in the West Bank and Gaza. (2000), p.144
great PA feat, Dr. al-Kurd rhetorically remarked, if the PA did not create employment for these individuals—particularly those who had fought with Arafat—where and how would they find work?\(^{718}\) Alternatively, Dr. Hisham Awartami, a leading expert on the Palestinian economy, has argued that the exaggerated bureaucracy was a time bomb waiting to explode. Arafat depended on these individuals as a power-base which would be difficult to cut loose. To maintain the PA’s neo-patrimonial system, Arafat’s priority was to “invest” the money in paying salaries rather than on sustainable development which would create viable jobs for the populace. However, his method was only a temporary solution to an imminent economic and political predicament.

Moreover, the involvement of key PA officials and their families in corruption allegations progressively and ironically anyway undermined the legitimacy of the PA. On one hand the PA leadership verbally condemned corrupt practices; on the other hand, they themselves were at the centre of corruption charges and were seen to be personally benefitting from dubious negotiations with Israeli and international companies. For example while Prime Minister Ahmed Qureia, also one of the leading negotiators during Oslo, was protesting against the erection of Israeli Walls to EU leaders, his cement company, Al Quds, was providing cement to the Israeli Ma’ale Adumim settlement and for building the wall, particularly along Abu Dis.\(^{719}\) When confronted with the Associated Press’ (AP) story and the Israeli television claims of his hypocrisy, Qureia vehemently rejected the allegations. However, footage showed cement trucks leaving the Al-Quds Cement Company headed for Ma’ale Adumim.

When workers were questioned about the ownership of the company, reporters were


told that it was owned by the Qureia family. The question of corruption did not derive from his company building the wall, but rather that Qureia had monopoly over the cement sector thus securing major bids and businesses. Even Mahmoud Abbas, the favourite of the Israeli and U.S. government, viewed as a promoter of peace and transparency, and the face for political reform in the PA, was accused by critics of corruption. In one of several cases of corruption, Abbas supported and ensured that a company owned by his son, Yasser Abbas, shared a monopoly over consumer entertainment with Sami Ramlawi (a PA top official). Another leading PA official Nabil Sha’ath, then Minister of International Cooperation, was cited for using public money to fund his wedding. Azmi Shu’aybi also recalled that Sha’ath was also named in the 1997 Corruption Report for using state funds to finance a computer venture which his company had monopoly over.

The benefits extended to the families of PA leaders. Their children were settled into prestigious private educational institutions, their relatives assisted in the establishment of new businesses, and provided with personal financial support. Even President Arafat’s family was not untouched by the corruption charges. The French government launched an investigation into the large-scale transfer of funds worth $11.5 million USD from Swiss bank accounts to personal accounts belonging to his wife, Mrs. Suha Arafat. When Mrs. Arafat was questioned in Al-Hayat newspaper in February 2004 regarding the transactions, she responded that she found no wrong doing on President Arafat’s part in sending that considerable amount of money to provide for his family

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721 Shtayyeh, Mohammad. Personal Interview. 28 July, 2008
722 Shu’aybi, Azmi. Personal Interview. 4 August, 2008.
who were protecting the Palestinian interests abroad. The Outsider elites and their cohorts’ attitude towards, and understanding of, this corruption were astounding, portraying a detachment from reality on the ground and a disengagement from the situation of the Palestinian masses.

**LEGAL EVASIONS**

Corruption charges and concerns were raised by international donors and by the PLC itself. The PLC’s 1997 Corruption Report clearly identified the abuse of monopolies by members of the PA and the mishandling of funds. However, no PA officials were formally charged or convicted and imprisoned by the courts for corruption. Instead, the PA leadership proved intolerant of corruption-related accusations. If PA officials or cohorts were unfortunate enough to be taken to court, there was usually a loophole within the law—considering that the law system governing the OPT varied and was often contradictory due to the peculiar historical incongruent miscellany of legal legacies—which could be utilised to argue in their favour. The judicial system governing Gaza is based on Egyptian law whereas the West Bank operates on the basis of Jordanian Law, and both include elements of British Mandate Law and Israeli IMOs. As a result, an accused can often be acquitted not on evidence but on his ability to retain a good lawyer, good connections, or friends or family in high places who can exploit the gaps and inconsistencies in the system. This was usually the case with the PA elites. Instead the law was used to protect the PA elites. During the late 1990s and early 2000s, when international pressure was at its height for the PA to deal with corruption issues, individuals were brought to trial on matters of corruption, drug

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smuggling, and incitement against the state particularly those who were vocal in their criticism of the government. Cases like these were often associated with the counter-elites, including figures such as Eyad Sarraj and Daoud Kuttab amongst others.

Both cases were identified because they received international attention and highlighted the PA’s effort to suppress any critical voice of their method of governance and corruption. As with Eyad Sarraj’s arrest and false charges as a result of his criticism of the PA’s human rights violation, neo-patrimonial rule and practice of corruption, which was mentioned in Chapter IV, Kuttab sought to document internal debate. As the PA gained international attention on the rampant corruption of the PA, the PLC held a session where a debates on the recent publication of the 1997 PLC corruption report. Kuttab, owner of al-Quds television station and an independent journalist, was arrested and detained for one-week on the basis that he violated his contract with the Ministry of Communications and the PLC (although he had a permit to broadcast PLC sessions) when he broadcast the famed corruption debate session—which he was prohibited from broadcasting. It was reasoned that the PA (Arafat) feared what the PLC would say regarding the charges of corruption. The PA’s censorship and failure to allow for the broadcast of the debate deprived them of the opportunity to mend their reputation and present an image of transparency towards the national and international community. Nevertheless, with mounting pressures from the international community and the Palestinian society, Kuttab was released from custody.
The PA’s inability to deal with its corruption was in part attributable to the simultaneous failures to progress the Peace Process – the two were connected in what amounted to a revolving circle. Arafat’s ability to maintain the popular legitimacy of the PA depended on his ability to deliver tangible benefits from the advance of peace negotiations. He was constrained in the latter by the weakness of the PA relative to Israel, and consequently his dependence on Israel (and the process’ arbiter, the U.S.) to make relevant concessions. That very weakness whereby the PA could not challenge the Israeli regime meant that there was even less incentive for Israel to make those concessions, constantly eroding the legitimacy of the PA itself. On the other hand, even if the PA was in a strong position, Israel would still not concede although perhaps may be pressured to engage in some genuine effort. In order to bolster the PA’s and thus his own personal legitimacy, assure their survival, and expand his power through the PA over Palestinian society, Arafat was compelled to foster alternative means of ‘management’. One can observe the PA’s increasing use of international financial assistance, and diversion of excise taxes and revenues from PA owned/partly owned companies to accounts outside of the Ministry of Finance in order to, inter alia, invest in PA commercial ventures through the PCSC, to deliver patronage to both prominent individuals (through corruption and privileges), and to support public sector employment.\textsuperscript{728}

The use of this parallel budget where it has been estimated that millions of dollars of formal budget went towards the expansion of the informal network and purchase of loyalty was at the cost of developing and building infrastructures.\textsuperscript{729} This corruption,

\textsuperscript{728} International Monetary Fund. \textit{Economic Performance and Reform under Conflict Conditions}. West Bank and Gaza, International Monetary Fund, Sept., 2003, pp. 88-90
\textsuperscript{729} Samara, A. "Globalization, the Palestinian Economy, and the "Peace Process"." (Winter, 2000), p. 24. For example in 1995, $170 million in international funds were estimated to have gone ‘missing’.
however, and the neo-patrimonial means of governing, in turn reduced the credibility of the PA, with the PLC lacking the institutional power to consistently constrain Arafat and in fact only being able to do so when it suited Israel and/or the International Community that it should. The PA as an institution became weaker, Arafat’s dependence on corruption became higher, and the PA became weaker still.

Corruption, therefore, became embedded in the practice of the PA. The lack of a consistent body of law, the arbitrary implementation of existing laws, and loopholes in the judicial system allowed many of the Outside elites on whose loyalty Arafat depended for his political power, to exploit the opportunities presented to them to engage in corrupt practices and escape any legal repercussions. In doing so, they undermined the efforts of international donors and Palestinian Insider counter-elites to build credible financial structures that could underpin a future democratic state of Palestine. As notes Khan, “Since evidence of corruption, monopolies, centralized power, and slow progress towards democratization could be readily found within the [PA], the good governance and neo-patrimonial model suggests that these factors, monopoly, corruption, etc. played an important role in impeding Palestinian progress towards a viable statehood.”

With increasing dissatisfaction over the PA’s rampant corruption and neo-patrimonial rule, frustration over donor money being diverted to private funds and accounts, the international donor community heavily criticised the PA’s corrupt and neo-patrimonial rule—particularly the PA’s lip-service to donor concerns. It reached a state of crisis in

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1999 when dispute nearly erupted between international donors and the PA. In order to restore relations between the donor community and the PA, the IMF Resident Representative, Salam Fayyad, proposed a reform initiative with Arafat which targeted three areas. The PA would establish an Economic Policy Framework where first, PA revenues would be consolidated into one account (Single Treasure Account—STA). Second, the Ministry of Finance will manage the Gaza payroll unit to control the hiring process. Third, all PA commercial assets will be subject to international audits and profits will be transferred to the Ministry of Finance. The consolidation of PA finances was perceived as the first step towards appeasing the concerns of international donors. Nevertheless, establishing an economic reform framework did not necessarily signify that the PA would abide by the agreements or implement the said initiatives. As the IMF recognised, there is a difference between agreement in general and the issuance of Presidential decree, and implementation of said reforms.

PATRONAGE/NEO-PATRIMONIALISM PRACTICES

The difficulty with Arafat’s PA was that the weakness of its institutions combined with the possibilities presented by massive injections of international donor aid, meant that there were many opportunities for unscrupulous individuals to benefit, and that Arafat himself have every reason to exploit this in turn in order to bolster his own grasp on power. He was able to transfer the neo-patrimonial style of rule which he had developed within the PLO in exile into the OPTs, and superimpose it on the formal

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731 International Monetary Fund. *Economic Performance and Reform under Conflict Conditions.* (Sept., 2003), p. 90
732 International Monetary Fund. *Economic Performance and Reform under Conflict Conditions.* (Sept., 2003), p. 90
733 International Monetary Fund. *Economic Performance and Reform under Conflict Conditions.* (Sept., 2003), p. 84
structures of the PA. Whilst Insider counter-elites sought to assert their own nascent
democratic culture, they were themselves vulnerable to the influence of Arafat’s efforts
to exert patronage: he retained symbolic status as the unifying icon of the Palestinian
national movement; he had coercive and unrestrained apparatus at his disposal to
sanction dissenters; and the possibilities for co-optation became magnified as the peace
process and the PA itself failed to deliver on the economic aspirations of the people.

Michels believed that formidable leaders rise to power through lies and cunning.\textsuperscript{734} However, in Arafat’s case, one could describe him more as resourceful and cunning.
He was shrewd and sharp in pinpointing the weakness of elites and those that
surrounded him and using them to his advantage. He encouraged the practice of
corruption through financial provision for the elites, their families, their personal and
business ventures, and then by turning a blind eye to some of their practices, using the
weakness of the PA institutions to work in their favour and protect them.\textsuperscript{735}

The families, relatives and friends of those close to the president’s office or officials of
the PA were also rewarded and given certain privileges, such as custom exceptions on
cars, home furnishings, scholarships and so forth.\textsuperscript{736} The Minister for Civil Affairs,
Jamil Tarifi was cited by the PLC Special Committee for personally influencing and
implementing such special privileges for Arafat’s ‘people’.\textsuperscript{737} The Ministry of Civil
Affairs was also charged with impinging upon the authority of the Ministry of Finance,
and in violation of the law, to provide customs exemptions. The PLC found that the
Minister and Ministry of Finance had issued letters to the Minister of Civil Affairs to

\textsuperscript{734} Michels, Robert. \textit{Political Parties: A Sociological Study of the Oligarchical Tendencies of Modern
respond to demands that he cease unlawful infringement upon their authority and issuing customs exemptions which was reserved for the Customs Exemption Department under the Ministry of Finance.\textsuperscript{738} Tarifi was also accused of conducting business and profiting for his cement company in his official capacity. For example, Tarifi would close the border to other importers while his company (Al-Karmel Company) imported cements. Tarifi was accused of securing a deal with his partner (Palestinian Company of Services run by Mr. Khaled Islam) where Islam would pay Tarifi $2.5 million USD for every ton of imported cement.\textsuperscript{739} In addition to exemptions to returnees, the Ministry also issued them to friends and cohorts. This contributed to a significant loss of state money.\textsuperscript{740} Although Tarifi was charged with misusing his position in office, he received no more than a slap on the wrist basically in the form of public criticism because in 1999, Tarifi still served as the Minister of Civil Affairs. By 2003, Tarifi had not been prosecuted of any corruption changes and still occupied the same position.\textsuperscript{741}

How PA officials understood this corruption is evidence of the embedded nature of the political culture which they represented. During an informal World Bank Ad Hoc Liaison Committee (AHLC) meeting in Washington, D.C., PA representatives present at the meeting denounced the assertions of corruption implicated by the PLC’s 1997 Corruption Report. They asserted that the reasons for the missing funds, or ‘forgone revenues’, were “deliberate policy decisions rather than evidence of wrongdoing.”\textsuperscript{742}

This was the same explanation that Mohammed Shtayyeh, gave in response to the GCO

\textsuperscript{739} Jerusalem Media & Communication Centre. \textit{The Palestinian Council}. (Jan., 1998), p. 157
\textsuperscript{742} Brynen, R. \textit{A Very Political Economy: Peacebuilding and Foreign Aid in the West Bank and Gaza}. (2000), p. 140
and PLC corruption report during an interview with him in Ramallah, in which he suggested that “wrong policy” does not denote or imply “corruption.” The allocation of tax exemption to returnees was according to Shtayyeh wrong-policy not corruption because it was a policy that was voted upon and passed by the majority.

The PLC Special Commission also found that between the periods of January to July 1995, medical expenses for treatment abroad were estimated at $24 million USD which was 20 percent of the Health Ministry budget. When the deputy minister of Health was questioned regarding these expenses, it became apparent that some of the referrals were made “without going through the Ministry of Health” furthermore it “…came directly from the Chairman to the Finance Ministry and [that] the expense…[were] then deducted from the Health Ministry budget.” It was clear that formal procedures were considered to be just ‘formalities’ not necessary protocols for PA ministerial decision making, and that officials believed they could be bypassed in order to accommodate the needs of both Arafat and his close associates and ministers.

As the previous chapter explained, the PLC report demands and recommendations for change were for the most part ignored by Arafat, who only made a symbolic reshuffle of his cabinet, but kept the ministers who had been accused of corruption and misconduct. At the same time, he added ten more ministerial appointments which were drawn mainly from the PLC to ensure parliamentary endorsement and to silence the critics. Ghassan Al-Khatib expressed his observation in in a personal interview that the appointments of the most vocal critical members of the PLC was perceived by many analysts as “an attempt to co-opt the Palestinian Legislative Council which

became the leading opposition body to the mistakes of the Palestinian Authority as well as being one of the typical Arafat tricks to divide and co-opt the growing opposition role of the Palestinian Legislative Council.”\(^{745}\) It would appear to be the case because the PLC became less active and critical in these matters since that. However, as Ghassan Al-Khatib remarked upon, the decrease in criticism from the PLC could also have been due to the fact that at the time things became increasingly tense with Israel (until the outbreak of the second intifada in 2000) and internal issues were relegated to only secondary importance. Without a finally-determined, sovereign status, the Counter-elites who sought to give democratic substance to the PA institutions were always vulnerable and therefore unable to take a real stand on the issue of corruption or the wider issue of Arafat’s style of management which it represented.

Further evidence of the pervasive political culture which endorsed this behaviour and rejected the notion that it constituted corruption, is evident in the many scholars and former cohorts of Arafat who have come to the defence of Arafat, arguing that he was not a corrupt man amassing fortunes for his personal gain but rather was a generous man who set out to take care of those (and their families) who had supported him in the past and/or have lost their lives as a result. In my interview with Basem Ezbidi, he recalled that during Arafat’s 30 years of fighting, he allocated from his ‘personal expenses’ monthly allowances to families who lost a member during the struggle. This practice continued under the PA, with the “personal funds” being drawn from PA revenues. Arafat’s justification for this informal patronage was that these individuals had fought with him during the revolutionary period and therefore deserved to be rewarded for their services.\(^{746}\) Ezbidi argued that he did not perceived Arafat’s action

\(^{745}\) Al-Khatib, Ghassan. Personal Interview. 18 August, 2008.
\(^{746}\) Ezbidi, Basem. Personal Interview. 3 July, 2008.
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as corruption. Rather, he considered it “...the most noble types of behaviour anywhere to have a sense of appreciation and respect and connection to people who really provided you with great help when you desperately needed it.”\textsuperscript{747} This use of state resources in informal manner for non-state activities was symbolic of the PA. However following continuous pressures from donors for actions against members of the PA, the PA surprised the international community when in June 2000 it, for the first time, published detailed reports of its payrolls and investments, and promised reform.\textsuperscript{748} This corresponded with many situations. First, it was a renewed effort towards reform in order to “secure diverted revenue and improve transparency.”\textsuperscript{749} Second, this was following the breakdown of the Sharm al-Shaykh Summit and a renewed effort on both sides to resume talks. Third, fear of a reduction in donor funding to the PA. Fourth, the 2000 Camp David Accord was on the agenda. This was performed as a sign of good will which was to illustrate PA’s (Arafat) sincerity in resuming negotiations, a renewed effort towards reform and transparency which coincidently the 1999 IMF Economic Reform Framework agreement signed by Arafat had sought to accomplish.\textsuperscript{750}

AN INFORMAL PARALLEL SYSTEM OF RULE

As defined in Chapter I, neo-patrimonialism involves the use of official office for personal gain and is ‘legitimised’ through the ascension to office through ‘legal’ or formal means. As Rex Brynen noted on neo-patrimonialism, it combines and overlays

\textsuperscript{747} Ezbidi, Basem. Personal Interview. 3 July, 2008.
\textsuperscript{748} Transparency International, \textit{Global Corruption Report 2001}, pp. 96-97, Middle East and Africa
\textsuperscript{749} International Monetary Fund. \textit{Economic Performance and Reform under Conflict Conditions}. (Sept., 2003), p. 109
\textsuperscript{750} International Monetary Fund. \textit{Economic Performance and Reform under Conflict Conditions}. (Sept., 2003)
informal elements of patrimonialism with the formal legal structures of the state. In the PA’s case, Arafat’s method of governing, once “elected” to the post of President, was the use of neo-patrimonial relationships of reward for loyalty or conversely punishment for independence, a strategy which was replicated downwards by senior officials who could exert their own patronage through distribution of financial and other assets. The PLO’s position within the provisional PA allowed for a relatively smooth transition of its existing revolutionary and patrimonial political culture, via the legitimisation process represented by an electoral process which it structured itself, into the leadership of the PA. Moreover, the OPTs was so economically, politically and socially traumatised by the impact of occupation and Intifada, that when the new PA government sought to alleviate some of this hardship through means of patronage and neo-patrimonial influences, and despite the reservations of democratic counter-elites, the population initially saw this as credible and legitimate fulfilment of its obligations.

The occupation, followed by an ultimately unsuccessful but nonetheless extremely painful Intifada, had left local opposition groups fragmented and unable to cohere into an effective political opposition to Arafat. This wider political structural weakness made it easier for Arafat to co-opt opposition individuals, and he was able to use the formal PA institutions and official positions within it, to tempt them to come under his ultimate control. In doing so, Arafat drew upon the immeasurable authority of his own personal position, not only his formal position as Ra’is or President of the PA, but also his charismatic and symbolic position as the figure-head of the Palestinian National Movement and leader of the revolutionary PLO. Again, the formal and informal were

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combined, each being used to consolidate the power gained through the other, a truly neo-patrimonial combination.

Crucial to this construction of simultaneous and overlapping formal and informal systems of rule, was Arafat’s status as the ‘chosen’ candidate of the international community who believed, as U.S. Middle East envoy Dennis Ross wrote in his memoir, that he alone had the ability to control the fragmented Palestinian society and neutralise opposition to the peace process. Arafat was able to play on this, demanding resources to support the formal institutions of the PA, but retaining his personal control over how they were distributed. During the period from 1994-2000, the PA experienced account deficits between 20-35 percent of their GDP where they were bailed out by donor assistance for capital projects in the West Bank and Gaza Strip. The exact amount of donor disbursements to the PA is unknown due to the lack of monitoring systems, either by the PA or by international institutions. The World Bank did, however, assemble an informal report based on surveys of donors and consultation of PA fiscal records. In their 1998 West Bank and Gaza Strip Update, it was estimated that the period from 1993-1998, the PA received $2.45 billion USD in disbursement out of a $3.55 billion in pledges however unemployment jumped to 30 percent in contrast to only 5 percent pre-Oslo. A more concise 2000 World Bank report indicated that the PA received an estimated $419 million USD in 1998, $482 million USD in 1999, and $549 million USD in 2000, primarily for infrastructure, technical assistance, and capacity building projects. With such funds at his disposal, it was small wonder that Arafat wielded such personal power over the institutions and personnel of the PA.

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fact that he (mis)used the funds to enhance the fortunes of those loyal to him, to co-opt opposition, and to finance his own security forces to suppress dissident voices when that failed, did not escape the notice of Israel and the United States, but in so far as these tactics kept the PA on the negotiations path meant that, however much they disapproved, restraining him was not their first priority. In short, they silently endorsed his management of two parallel governing systems, the informal and the formal. Ironically, these same two systems allowed him to bypass some of the conditions and constraints on his own power imposed by the Oslo Accords.

This overlap of power and functions between the PLO informal and the PA formal power structures meant that in time they became indistinguishable, at which point the PA ceased to exist as a viable state-building institution. The countervailing power of Arafat’s office allowed him to have unprecedented control over all aspects of the PA’s institutions and functions. The PA’s cabinet and the PLO Executive Committee were considered to be interchangeable because their duties, functions and member overlap. They were like two peas in a pod. For example, meetings of the PLO cabinet usually took precedence over PA cabinet meetings when it came to policy decision making. As Inge Amundsen and Basem Ezidi observed, a formal body made up of a loosely defined group of PA and PLO officials (though dominated by the PLO) assumed the responsibility for policy decision making and was “not subject to accountability to either the PLC or any other PNA body.” Their decisions were final. Thus the dual and parallel structures of the PLO and PA both competed as well as coalesced. Indeed, it appeared that the PLO and its leadership council, the PNC, had

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more power and considered itself more legitimate as the representative of the Palestinian people and state for while they were free and able to negotiate with external powers, especially Israel, without the limitation set by the Oslo Accords, the PA and the PLC were restricted by the Oslo Accords. As such, it gives credence to the belief and allegations that although the PA was the official governing body in the OPT, it was the PLO that held uncontested power and authority and to whom the PA deferred.

According to a report by a U.S. audit agency of budget reports by the PA during its early years, certain PLO expenses like salaries of former PLO militia members who were hired on by the PA, payment to martyrs’ families, and pensions were transferred to the PA’s budget. Likewise, PA expenses were paid by the PLO and were not included in the PA’s budget. Perhaps it was this parallel structure that allowed Arafat to accomplish what he did throughout his tenure in office. He was not only able to attain the interests of the PLO but also able to serve the interest of international donors on the side, which generated more funding poured into the OPT that ultimately helped to achieve PLO/PA goals.

U.S. AND ISRAEL’S ENDORSEMENT AND RESTRICTIONS

The PA at its inception nurtured a close relationship with Israel, the U.S. and international donors due to its dependency on international political support and finance. But this was an asymmetric relationship, with the PA forced to be more acquiescent towards Israeli demands than enjoyed broad Palestinian popular support, International powers supported and endorsed Arafat, despite the growing evidence of his corrupt

758 Amundsen, I. and Ezbidi, B. "PNA political institutions and the future of state formation." (2004), p. 146
leadership, providing him with power and authority in order to keep the peace process alive. They did not push for or set up—critics argue ‘purposefully’—a strict mechanism for institutional checks and balances. The privileges and power (to a lesser extent) were also extended to those around Arafat and many of them took advantage, as has been observed, this absence of checks and balances in the system. TAs the PA’s negotiating policies, as well as many other of its ‘misguided’ policies, and including the evidence of corruption and personal enrichment on the part of PA leaders, came to be key concerns of the PA’s opposition, they were quickly and “efficiently” suppressed by Arafat’s security services, drawing at that point little criticism from Arafat’s international (and Israeli) interlocutors.

However, when the Peace Accords failed to lead to a final settlement, and as negotiations themselves stumbled in the face of, according to Israel and the United States government, Arafat’s intransigency and his inability (or unwillingness) to sufficiently reign in militant Islamist opposition groups, Israel and the United States proved more willing to criticise Arafat and the PA for their corruption and human rights violations. The PA rampant corruption was even acknowledged by the U.S. State Department where they stated that "there are at least thirteen known monopolies under the control of no more than five individuals who are members of the PA’s inner circle." Monies from these monopolies, according to these same officials, are used in large part to pay the salaries of police and other agencies, which donors no longer finance

These types of criticism against Arafat and the PA often resulted in the withholding of international funds until Arafat was able to establish a truce with internal opposition

groups and a subsequent decrease in attacks on Israel. It was a measure of the control imposed by the international powers on the PA, and its weakness in resisting such pressure. This was witnessed in the Israeli government’s withholding the transfer of tax revenues to the PA in December 2000 as a result of the al-Aqsa Intifada. By withholding the transfers, Israel confronted the PA with the difficulties associated with disgruntled civil servants whose wages could not be paid. In sum, Israel knew Arafat used the transfers to distribute patronage in the form of salaries and they used this against him when it suited them to do so.

When the peace process appeared to be on-track, however, Arafat was left with a free hand to manage the OPTs as he chose. As former U.S. Envoy to the Middle East Dennis Ross remarked in his memoir, “Neither we [U.S.] nor the Israelis questioned what Arafat was doing internally. At this point, we both felt [Arafat] was the only one who could manage the Palestinians. As we would hear often from Rabin, we shouldn’t be pressing Arafat on human rights or even corruption.”

The Israeli government was criticised for encouraging and ‘entertaining’ the authoritarian PA regime. In a 2002 interview with Jerusalem Post’s Carolyn Wick, Ross was questioned why the Clinton administration was not proactive in addressing an increasing authoritarian and corrupt PA. He responded that the Israelis were not particularly concerned with the rate of corruption inside the PA so why should the administration show special interest in it? In fact, the Israeli government was fully aware, encouraged and even “entertained” by the fact that the top leadership of the PA

was more concerned with their own continued influx of funds rather than their domestic political problems. In the Bergman and Ratner report, they related how at the height of the clash between Israeli Defence Force (IDF) soldiers and Palestinian policemen regarding the Western Wall tunnel which ran underneath the Al-Aqsa mosque, a senior PA economist urgently contacted Aryeh Zeif, who was then Director of Customs (for the Israeli government) and responsible for the transfers of funds to the Palestinians. The PA official’s concern was not the violence, or an effort to resolve the problem, but rather to know if the Israelis could move up the transfer by two days because of an upcoming PA holiday.\(^{763}\)

The uncertainty of the peace process contributed to the corruption as many high ranking Palestinian officials were unsure of their future status and sought to enrich themselves while they could. Their grasp for control of monopolies was encouraged, or at least ignored, by the Israeli and U.S. government. For example, Israeli political and security sector leaders hastened to court (among others) Arafat’s economic advisor, Muhammad Rashid, PA security apparatus strongmen Muhammad Dahlan and Jabril Rajoub, Deputy Minister of Economics and Trade Mahr al-Kurd, Minister of Planning Nabil Sha’ath, Abu Ala and Arafat’s chief lieutenant and number-two man Abu Mazen, at the expense of disenfranchised Palestinian businessmen.\(^{764}\) Not only were such co-opted Palestinians reliant on the peace process to secure their new business interests, but they were easier to deal with for Israel, compliant and self-interested. Moreover, this dependent relationship meant Israel could control the development of an


autonomous Palestinian sector which might even have posed competition to Israeli firms themselves.

By supporting the elimination of economic competitors to the monopolies held by the PA officials in cement, cigarette, gas, petroleum, telecommunication etc., Israel (and the U.S. by turning a blind eye to blatant abuse of power) was undermining the legal and economic frameworks of the OPT. Even those who were involved in monopolies and nepotism were heralded by Israel and the U.S. and Western media as emblems of reform in the PA. For example, Muhammad Dahlan was a persistent promoter of transparency in the PA, but was criticised by many for his monopoly over gas in the Gaza Strip where his security force “persuaded” petro-station owners to buy gas from his company at an inflated rate. Moreover, Dahlan’s loading pitchfork company, which was manned by the preventive security force at the Erez checkpoint, “required” every merchant and truck owner to pay a tithe or “donation” to the security apparatus, Force 17.  

By giving these PA officials a “cut-of-the-profit” during the transition years of the PA, Israel co-opted the Outsider elites into assuring the continuance and stability of the peace process. As one Gazan merchant—and a former Fatah member observed: “We live in amazing, shameful times, but you should know that every revolution has its fighters, thinkers and profiteers. Our fighters have been killed, our thinkers assassinated, and all we have left are the profiteers. These don’t think even primarily of the cause, they don’t think of it at all. They know that they are just transients here, as they were in Tunis, and, as with any regime whose end is near, they think only of

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profiting from it while they can.” It appeared that the vociferous criticism against the PA official’s modus operandi came from the Palestinians while an astounding silence emanated from the Israelis and international community’s side.

Israel, the U.S. and the International Donor Community also used the financial support of the PA as a means to exert pressure on Arafat to contain dissident voices, and particularly Hamas as it became increasingly vociferous and even popular in the face of the failing peace process. During significant periods where the PA’s legitimacy was questioned by the international community, Arafat was forced to prove their ability to control any conflict or dissention within, in other words his worthiness to be the recipient of financial support, by collaborating with Israel in the arrest and assassination of members of Hamas’ armed wing. Following the February to March 1996 suicide bombings by Hamas in Israel, Arafat was pressured by Israel to destroy the Islamic oppositions. As such, 1,200 suspected Islamists were arrested, about thirty Hamas institutions as well as the Islamic University were raided, and the Gaza mosques were placed under the jurisdiction of the PA. The PA security sector’s tactic of brutal searches and mass arrests of Islamist oppositions at Islamic universities have been heavily criticised by the Palestinian media and denounced by oppositions as in the service of the occupier.

The difficulty with removing Hamas from the political scene was perceptively put by Ahmad Khalidi: “Hamas is...most emphatically not a problem of law and order that can

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768 Kristianesen, W. "Challenge and Counterchallenge: Hamas's Response to Oslo." (Spring, 1999), p. 29
769 Halevi, I. "Self-Government, Democracy, and Mismanagement under the Palestinian Authority." (Spring, 1998), p. 45
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be rooted out or crushed by military means.”\footnote{770} They were a legitimate political, religious, and social entity in the Palestinian society. However, the additional pressures from the U.S. to curtail all violence against Israel which was exerted through the distribution (or withhold) of financial ‘aid’ to the OPT urged the PA to stamp out the opposition with violent means. Israel also issued coercive tactics against the PA by withholding transfer of tax collected for the Palestinians, granting (or elimination) of incentives, to encourage and hasten collective actions against Hamas members especially following the failure of the 2000 Camp David Accord and the eruption of the al-Aqsa Intifada. Israel accused the PA of corruption and funding terrorist groups and therefore suspended tax transfers. It was estimated that by end of 2002, there were approximately $500 million USD in withheld taxes in Israel’s custody.\footnote{771}

POLITICAL RENT

In sum, the financial assistance which was transferred to the PA amounted to political rent. Rent, according to Martin Beck, is a “special sort of income which is neither the result of capital investment nor labour...[furthermore] unlike profits, no re-investment is required in order to receive future rents, which means that rents are in principal at the recipient’s free disposal.”\footnote{772} In the case of the PLO and PA, the transfers amounted to a particular form of rent, political rent that is a “financial aid that is not balanced by economic equivalents.” Furthermore, and ironically given the under-developed status of the OPT economies, the PA’s fundamental political underpinnings directed them

\footnote{771} International Monetary Fund. Economic Performance and Reform under Conflict Conditions. (Sept., 2003), p. 71. The frozen money was held at the Bank of Israel.
towards seeking out this kind of rent above all others, since it was more useful and pliable for sustaining their own survival. For the Outsider elites this was nothing new: the PLO as a revolutionary group had relied heavily on Arab political rents and they were used to managing their structures, operations and behaviour accordingly. The PA in turn, although set up supposedly with a formal democratic state-like structure which should establish transparent financial management and regulation, was to become equally dependent on political rent and, in the absence of either sovereign control over its own internal processes or a clearly developed financial and regulatory system, was to internalise those same behaviours. Indeed, the populations of the OPTs had also been reliant on international aid since the 1948 Israeli-Palestinian war, and in particular with the establishment of sizeable refugee populations supported by the United Nations and other international organisations, donors and governments who provided humanitarian and developmental assistance. Unfortunately, the society that was built up from this experience became absorbed and to a high degree reliant on political rent.

The aid which was intended to provide ‘temporary’ assistance and to alleviate hardship in the OPT under the occupation—while international governments and the two conflicting parties resolved their political impasse—and to provide a ‘support’ basis to propel the Palestinian population to be self-reliant, became an integral part of the society, making it more complex and difficult to become self-reliant and develop an independent and sustainable economy.

With the establishment of the PA, they fell into the same trap of dependency. The early stage of development for the PA was quite brief (between 1994 with the return of the

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Outsiders, until the reoccupation of the territories by Israel following the second Intifada) and therefore did not allow it the time needed to mature and develop—which leaves the reader to wonder whether the PA would have taken on a developmental state-like character if it was given the necessary time politically and economically to develop on its own. However what came to be surmised was that the PA did not develop the capacity to regulate and monitor rents and to direct it to more economic viable and profitable ventures for the OPT. Furthermore, the PA did not have the power, or perhaps willingness, to punish those who took advantage of the rent opportunities. Neither did it have an institutional system of checks and balances to monitor and control the transfer, allocation and distribution of rents or those in charge of the rents. Rather, the political institutions and infrastructure of the PA as well as its powerless vis-à-vis Israel and external powers and its inability to control its population through legitimate means because they neither had legitimate state power to impose any laws and policies or legitimate use of force, although they legitimately ascended into office, propelled the PA towards certain behaviour of rent management as well as developed a certain ability to pursue specific rents which were most conducive to the political survival of its elites but detrimental to the development of the state structure. The new ‘state’-like structure that was established on political rent, particularly from the U.S. and Europe, undermined its ability to develop a sustainable political economy and to rely on its own income and profit, thereby consequently becoming increasingly dependent on its external ‘donors’. The question that has been raised by Khan et. al is if the direction for state development had already been predetermined and encouraged by external powers. Considering the weakened political

774 Amundsen, I. and Ezbidi, B. "PNA political institutions and the future of state formation." (2004), p. 142
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and economic position of the PA, and their limited power and politico-socio-economic independence dictated by the Oslo Accords, it would seem more plausible that the PA would proceed towards certain beliefs, attitudes and behaviours of practice and management. They were beholden and subjected to the carrot and stick treatment by donor countries and organisations, who were connected to the external powers, and on whom the PA was reliant in order to function, for without their financial support the PA would collapse because it was unable to shoulder its extensive financial burdens. As such and because of this dependency, if the PA failed to comply with the agendas or wishes of the donors, funding would be conveniently ‘delayed’ or all together withheld under the pretext of PA violation of one act or another. Therefore funding, which was critical to the PA’s survival, would only pour into the OPT when the PA satisfied or upheld the agenda or ‘requests’ of the donors. As related to me by Mr. Nasser Tahboub, Assistant to the PA’s Minister of Finance, International Donors and the U.S. had given Arafat a free-rein in controlling the funds because they wanted him to “use the funds to nullify, moderate, and manipulate the political factions and when Arafat decided that he is not going to do it for their benefit they started to criticise him on transparency issues.”

The PA was kept economically vulnerable and was unable to have the military capabilities to stand up to external actors or to counter internal criticism for their dependency on the external actors. As a result, governmental policy towards internal opposition groups and individuals took on a ‘militaristic’ policing characteristic in order to simultaneously suppress internal criticism while adhering to external demands that they control every aspect of the Palestinian society (realistic demand or not) which

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created further rift in the society. It therefore appeared that political rents released to
the PA for development, rather than strengthening and consolidating the PA and
Palestinian society, weakened and de-legitimised the government, becoming a tool for
PA officials with which to further their personal ‘business’ interests. Furthermore, the
PA relied heavily on this source of ‘income’ to alleviate their budgetary concerns (bills
and salaries) and therefore used it also to finance the works of the security apparatus.
According to Beck, a conservative estimation of the 1996 donor assistance to the PA
totalled US $977 million which was 30 percent of the PA’s budget, making it a high
percentage rarely surpassed by other political rentiers. 778 Thus, the PA’s acute
dependency on political rent in many ways contributed to the limitation and retardation
of the political, economic, and social development of the Palestinian society. Political
rent had also to a high degree hindered and impeded this development in the OPT by
creating a society which was exceedingly reliant on ‘hand-out’ money, which required
no labour -induced ventures, financial re-investment, or sense of accountability.
Furthermore, the political infrastructure and institutions were not equipped with
measures to enforce accountability on any level. Political rent did not produce
sustainable economic ventures since businesses were still limited by Israeli restrictions
on movement, trade, and the unpredictable policy of destroying infrastructures as
retaliation to opposition Palestinian groups or PA non-compliance. Politically, many of
the elites controlled and manipulated the political rents that were transferred to the
PA/OPT to expand on their resources, influence and power because there was
uncertainty to the survival of the PA and no viable outlet for the funds to develop
anything sustainable in the OPT—due to Israeli military orders and policies.

Consequently, the dependency on rent supported a political culture that became efficient in its ability to manipulate funds for personal gains. Although political rents to the PA were seen as indispensable, they negatively impacted internal development because the “priorities of the foreign aid effort...[were] not in line with the development aspirations and needs of the Palestinian population in the West Bank and Gaza Strip.” Furthermore, international aid failed to bridge the socioeconomic gaps as a result of years of occupation and had not provided a stimulus for sustainable economic development. Rather than address the local needs of the OPT, donor organisations attached their own agenda to the funds provided which were not compatible with or conducive to the development and need of the society but rather accomplished the agenda of the international donor countries. As Mohammed Shtayyeh stated, “every donor is driven by his political vision or position in relation to the question of Palestine” therefore his political agenda is his priority regardless of what is actually needed on the ground. Donors usually have a pre-prescribed agenda which does not necessarily meet the social and economic needs of the country. In the Palestinian case, donors were concerned about issues of democratic development, human rights, the environment, gender and so forth which was not necessarily what the NGOs or the society need but many NGOs applied these requirements to their organisation agenda and proposals as a means to fund their ongoing activities and overhead costs. PA officials raised concerns that rather than invest in the physical infrastructure, agriculture and economic development, donor assistance focused more on donor

781 Shtayyeh, Mohammad. Personal Interview. 28 July, 2008
782 Brynen, R. A Very Political Economy: Peacebuilding and Foreign Aid in the West Bank and Gaza. (2000), p. 188
agenda where it even overfunded projects such as gender (for example) which were not the priority or what was needed by the people in the OPT.\textsuperscript{783}

As a consequence of international overfunding of specific projects which were not pertinent to the political reality on ground, many PA officials used the opportunity presented by this incongruency in actual and perceived needs to exploit\textsuperscript{784} some of these funds for personal advantage. Moreover, temporary organisations were set up specifically for donor money and once funding runs out, the organisations collapse.\textsuperscript{785} As observed and maintained Salim Tamari in my interview conducted with him, this was what Khan et. al refer to as “dependency on short-term foreign funding.”\textsuperscript{786} Ali Jarbawi added his voice to this criticism in my interview with him that “accountability, responsibility, and transparency, all of these are [to] the donors and not [to] the people.”\textsuperscript{787}

In fact, given the uncertain future of the PA, it was inevitable that some of the core elites would “extract as much and as fast as possible”\textsuperscript{788} from the system while they still held power. The mentality of the political elites inevitably filtered down to the society as the only means to accomplish something and to bypass the bureaucracy was to go through the informal network which meant that one had to ‘pay’ in one form or another in order to access resources, doctors, permission, jobs or other resources. An individual may also be a ‘gate-keeper’ where he is ‘paid’ in order to open the doors for

\begin{itemize}
\item Brynen, R. A Very Political Economy: Peacebuilding and Foreign Aid in the West Bank and Gaza. (2000), p. 162
\item I use the term ‘exploit’ to mean that rather than share the resources and information with the society, they set up alternate business ventures within their circle of knowledge to address the agenda of the donor countries thus keeping the resources within their circle of network.
\item Tamari, Salim. Personal Interview. 31 July, 2008.
\item Hilal, J. and Khan, M.H. "State formation under the PNA: Potential outcomes and their viability." (2004), p. 68
\end{itemize}
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those seeking assistance. As Helga Baumgarten, a lecturer at Birzeit University who has lived in the Palestinian territories for the past 24 years, remarked in my interview conducted with her, “the worst example of a rentier system and even a rentier society, and rentier culture is the Palestinian society. It is on every level down to the level of students.”

Baumgarten was dismayed with the social change in society in that on every level of society for the past decades “people will not do anything for nothing.” She stated that if one asks a person for something to do, they will ask you how much you are willing to pay.

CONCLUDING REMARKS

This chapter has demonstrated the extent of corruption within the PA, and some of the most visible ways in which it was enacted. The availability of extensive political rents enabled PA leaders to take advantage of the weak and under-developed state institutions, particularly those relating to financial management and accountability, to divert these rents to their own personal advantage through monopolies, kickbacks, and privileges. They were encouraged in this by Arafat himself, who utilised the same institutional weakness to ensure that PA revenues were diverted to alternative back accounts and could then be used to shore up his own power and legitimacy through distribution of patronage and the consequent co-optation not only of opposition critics but also of the large section of the population which became dependent on public-sector employment. He also used it to fund his extensive security apparatus which could equally be used to sanction and silence critics.

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To do this, Arafat took advantage of the opportunities to run simultaneous, albeit overlapping and ultimately merged, structures and networks of rule: the formal PA structures and the informal PLO structures which he had brought with him from Tunis. Manoeuvring between the two gave him flexibility not only to act in a neo-patrimonial way in order to bolster his own power and legitimacy, but also to evade some of the constraints placed upon him by the Oslo Accords, the establishment of the Palestinian Legislative Council and the continued dominance of Israel over all decision-making.

Arafat was allowed, even encouraged, to do this by Israel and the United States, for whom the priority was the continued security of Israel and a peace process which secured that. By encouraging and securing Arafat and his close associates’ dependence on political rents and the autonomy to decide/define how to use them, the U.S. and Israel secured his compliance in suppressing opposition to the peace process or militant attacks against Israel. They only intervened in 2000 to object to corruption and abuses of power by Arafat and PA elites when they could, and in doing so, put pressure on him to return to this docile role rather than seeking to restore his domestic legitimacy with the Palestinian population by holding back from an offensive against Hamas and other militant groups in the wake of a failing peace process and a new Intifada.

The Palestinians, both those who had been exiled to the wider Arab world, and those who had remained within the OPTS, were accustomed to the political and economic deficiencies which were encouraged by political rent, having been dependent on external economic assistance for decades. Thus, when the PA institutions proved too weak to curb the excesses of Arafat and his cronies, they adjusted to modes of behaviour which cascaded corruption down into the heart of society. The political culture of Arafat’s neo-patrimonial rule was dispersed from the Outsider elites through
society, incorporating some of the Insider counter-elites and leaving the rest unable to do anything substantial to constrain him.
SUMMARY AND CONCLUSION

INTRODUCTION

The thesis had set out to understand why corruption was endemic in the Palestinian Authority. As such, it sought to answer the following research question: What leading factors sustained and proliferated corruption in the Palestinian Authority? In order to answer the research question, the thesis first examined existing theories on why corruption was endemic in developing states. As such, different theories were explored before selecting specific compound theories which would address corruption in the Palestinian Authority. In addition to the theoretical approach, fieldwork research was conducted in the Occupied Palestinian Territories through interviews and participant observation. This was supplemented by secondary texts. Second, the thesis explored the research question first through a historical approach which examined elites’ formative years in the Palestinian Territories. As such, it identified the types of elites that emerged with each epoch of time, their socialisation process, their political and social experiences, and the political cultures they finally came to adhere to. Third, the thesis then examined the formulation of the state that emerged after the Oslo Accords. As such, it necessitated a documented analysis where it examined the stipulations and conditions prescribed by the Oslo Accords and the political culture of the Outsider elites in how they influenced the final construction of the PA state institutions and identified/compiled the elite composition that came into power. Fourth, the behaviours and attitudes of divergent elites and their struggle for power in the PA was explored in
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order to understand how, in the process, their political culture came to influence the function of the PA and its institutions. Last, the thesis documented corrupt cases in the PA and how it was linked to ‘whom’ and ‘how’ the PA was originally constructed.

THEORETICAL FRAMEWORK

In order to answer the research questions, the thesis first set out to understand and identify corruption and why it became a prevalent character of many developing states. The thesis therefore drew on existing theories which sought provide explanations on why corruption was rampant in developing states. The thesis then reviewed literatures on corruption and then provided a more comprehensive definition where practices of PA would be measured against in order to understand the level of corruption, if any. As such, Max Weber’s concept of traditional patriarchal system was explored, particularly how it operates in society and its eventual influence on the state-formation process. A patriarchal system’s influence in the state’s formative years contributed to the emergence of a specific type of hybrid systems: patrimonial and neo-patrimonial political systems. The neo-patrimonial system, which was coined by S.N. Eisenstadt, became more evident in states following post-colonial entailed both a formal (state structure) and an informal (traditional patriarchal structure) governing mechanism. The chapter then explored neo-patrimonialism in detail in this thesis due to the implication of gaps and incongruencies between the formal and informal structure whereby corruption became a mechanism whereby to bridge the gaps. Consequently, corruption practices were incorporated into the state structure as a means for survival and expansion of power for the governing regime. This led eventually to analysing weak-
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states theory, particularly the work by Joel. S. Migdal, which was an identifying characteristic for post-colonial states. The post-colonial state had neo-patrimonial tendencies and was therefore apt to be ‘weak’ as a result of the processes they had advanced through on their path to statehood. The regimes in post-colonial states also utilised practices such as politics of survival—strategic allocation of positions in the government—in order to maintain security and power.

The thesis then explored the leadership composition—identified as elites in their particular society—and their political orientation. Elites, as identified by Gaetano Mosca and Vilfredo Pareto, were identified to carry particular political orientations depending on their education, upbringing, experiences, and political socialisation processes. The role therefore of elites is crucial in how they influence state formation as well as in how they define the characteristics of the state. The thesis lastly looked at the role of elites’ political cultures and how elites’ political culture influences the decision making processes and how state affairs and resources were administered. Depending on the political culture that elites in leadership position came to espouse, they either contributed to the eradication or exacerbation and continuance of corruption.

These theories were then applied when examining corruption in the PA to assess if these factors were either the root causes or contributed to corrupt behaviour in the PA. As such, the theories were measured against each chapter of this thesis from the formation of the elites, the construction of the PA, the elite intra-struggle within the PA, and finally the documented cases of persistent corruption in the PA. By having laid out these theories, the thesis set out to demonstrate how each theory was inter-related and
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significantly explained the extent and nature of corruption in the Palestinian Authority through each chapter.

Chapter One had set out the theoretical tools in order to understand why corruption was endemic in post-colonial states which would also give an understanding to the prevalence of corruption in the Palestinian Authority. As such, the chapter provided a literature review on existing theories on corruption and to assess why it was an endemic part of developing states. The chapter therefore first reviewed theories on corruption. Following this analysis, the author then provided a synthesised definition for corruption. The chapter then examined Max Weber’s ground-breaking work on traditional patriarchal system particularly its influence on the type of states that emerged following colonialism. Under Weber’s definition, it located a type of system that was in existence during the colonial period which was considered a hybrid form of patriarchalism: patrimonial. It was thus identified as a system which arose as a failed attempt at modernising the patriarchal system because it contained an element of patriarchalism in the new state structure. Eisenstadt’s work on neo-patrimonial system, on the other hand, emphasised that despite political modernisation, democratic and electoral processes in a new state, it employs a parallel formal (modern state structure) and an informal (traditional patriarchal structure) governing system. As such, the chapter analysed post-colonial states (with weak-state institutions) that emerged encompassing these hybrid systems with neo-patrimonial leadership. The leadership composition—particularly identified to be elites—was also examined because of their influence on the decision making process and formation of the state structure. As a result of the often incongruency between the informal and the formal system, corruption was used by elites to bridge the gap between the two systems. Therefore, the political culture that
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elite espoused was thus important to analyse because they would consequently influence the nature and behaviour of the state institutions.

Chapter Two had set out to identify and analyse the different stages of elite formation in the Palestinian Territories based on a historical analysis from the Ottoman Empire until the Oslo Accord. It examined the Palestinian elites’ formative years and their development of varying political cultures. As such, this chapter came to identify the Outsider’s elite political culture which was neo-patrimonial in nature. This was a result of their political socialisation in the diaspora and experience under Arab ruling regimes. The Insider counter-elites on the other hand had come to espouse a nascent democratic political culture as a result, ironically, of being under occupation by the Israeli regime. The chapter demonstrated how the different elites’ political cultures came to play a significant role in the formation and later function of the Palestinian Authority.

Chapter Three demonstrated how the Oslo Accords created a PA with weak institutions and neo-patrimonial leadership. This derived from various factors. First, the design of PA institutions reflected the Outsiders political culture based on their experience and understanding of a governing structure under Arab authoritarian regimes. As such, it not only gave exclusive power to the President’s office but it failed to create a fully independent Judicial, Executive, and Legislative body. Second, the Oslo Accords limited the ability of the PA to develop into an independent governing entity by linking Palestinian social, economic and political development to Israeli security. As a result, PA efforts toward any form of disengagement and independence from Israel, as well as reaching final status talks, fell victim to each Israeli administration’s reinterpretation of
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the peace agreements, and demands for security. This eventually led to a struggle for power between the Outsider elites and the Insider counter-elites inside the PA, resulting in the sidelining of the Insider counter-elites inside the PA.

Chapter Four examines the Outsider elites’ and Insider counter-elites’ struggle for supremacy and how this impacted the political culture espoused by the Palestinian Authority. The chapter demonstrated how the incompatible political cultures of the PLO and the Counter elites were encouraged to compete with each other for primacy by external actors and sustained by weak institutions. In order to control the elite struggle and manage the peace process, Arafat instituted a parallel system (formal and informal) of governance. As such the chapter illustrated that during the period of struggles between the Outsider elites and Insider counter-elites, it observed a dichotomy in support from external actors (Israel and U.S.). External actors indirectly supported the informal political culture of the PLO through the endorsement of Arafat through silent endorsement of his undemocratic PA practises, i.e. inaction against human rights violation, corrupt practices etc. Second, they supported the formal structure of the PA through its institutional relationship with the Israeli government and diplomatic relations with the U.S. As such, challenges to the PA (and to Arafat’s neo-patrimonial rule) soon gained strength from oppositions particularly from the PLC, the NGOs, and from the Islamic groups. It finally culminated in the signing and passing of pertinent laws which restricted his power.

Finally, Chapter Five demonstrated that the set-up of the PA made it inevitable to be corrupt. It found that the various peace agreements that were signed between the PA
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and the Israeli government demanded that the PA meet specific security criteria before reaching a final status talk. As such, the PA employed particular acts which violated human rights, suppression of oppositions, and establishment of a parallel system of formal/informal governance in order to meet the demands of the external actors (Israel and U.S.). The chapter demonstrated that due to the PA’s weak-state structure, its lack of legitimacy, and inability to enforce laws and policies, Arafat resorted to his informal networks in order to strengthen his position, control dissident groups, and to regain legitimacy through co-optation or coercion. This enabled and supported the exercise of corrupt practices which eventually became embedded in the PA structures. This chapter concluded that the neo-patrimonial rule, under which the PA functioned and operated, weakened the Insider counter-elites and undermined the development of the PA institutions into a truly democratic entity.

FINDINGS

The thesis found that the initial secret negotiation process for the establishment of the PA which brought to the table negotiating parties a politically decrepit PLO Outsider elites and the Government of Israel with asymmetrical power relations, and excluded a thriving Insider elites, produced agreements under the Oslo Accords—containing contradicting and often unrealistic stipulations and expectations—which eventually subjected the newly formulated PA to a position where it would inevitably use corruption as a means for survival. Furthermore, its non-state status and neo-patrimonial regime did not give it legitimacy or ultimate authority (under the Oslo
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Accords) resulting in the institutionalisation of corruption as a modus operandi of the PA.

Several factors came into play into this equation which configured into the use, encouragement and sustaining of corruption. First, the establishment of the PA by the Oslo Accords as a government in transition transpired while under occupation. This bestowed it with characteristics of a state yet with all the trappings of a post-colonial state. A conflicting dichotomy of colonial and post-colonial legacy was instilled into its formation creating incongruency in its governing structure where informal and formal structures were concurrently used by the PA leadership. The MEPP sustained a Palestinian Outsider leadership under Arafat to govern the PA at the expense of the Insider elites who had legitimacy within the OPT due to their active participation and leadership against the Israeli government during the Intifada.

Second, the Outsider elite increasingly illustrated neo-patrimonial political culture which reflected their clandestine revolutionary experience in the diaspora and their repression under the Arab regimes. This was at the expense of Insider counter-elite leadership who, on the other hand, encompassed a nascent democratic political culture as they were mainly excluded from key leadership positions in the PA. The imported Outsider political culture endorsed corruption as a political tool and became the operational norm for the PA. As a tool, Arafat used corruption to influence the system through the co-optation of oppositions, the foregoing of democratic processes, and the silencing of criticism which ultimately undermined the efforts of the counter-elites towards institutional development and reform.
Consequently, the MEPP created a weak state with neo-patrimonial leadership. As a result of the PA’s weak institutions, the leadership (mainly composed of Arafat’s Outsider elites) were able to manipulate the system in order to remain in power as well as expand their control, network and wealth through their official position. Moreover, having a weak-state structure, the PA lacked the legitimacy or the authority to implement law and order. As such, it needed an alternate means for control in order to meet the security requirements of Israel under the MEPP. Therefore, Arafat enlisted parallel formal and informal governing structures to comply with the demands of both the international powers (U.S. and Israel) and the Palestinian masses through the use of the formal and informal structures. The parallel governing structure was able to control the counter-elites by using his presidential formal power, and managed the Outsider elites by serving as their patron for economic, political, and social needs. Subsequently, counter-elite efforts toward institutional reform were impeded by the Outsider leadership’s aim to maintain political primacy and external actors’ (mainly the U.S. and Israel) need to keep the MEPP alive. The PA’s non-state status with weak-state ailments, external actors’ endorsement of Arafat’s neo-patrimonial rule and human rights violation, and forego of democratic principles for the sake of security and survival of the MEPP sustained and necessitated corruption in the PA.

**THE LIMITATIONS OF THE STUDY**

This research faced some limitations. First, analysing the PA in the context of a state entity had its challenges because I was applying state structure theories to a non-state entity. However, the state-like structures, institutions, and behaviour of the PA enabled the application of these theories. There was also limitation in interview sample due
language barrier and restriction in movement as such interviewees were limited to those able to communicate in English, and those residing in the West Bank and Israel. However, these were augmented by other sources such as reports, articles, informal interviews, participatory observation, and secondary interviews.

**FURTHER RESEARCH**

Further research can be based on this thesis particularly a full analysis on the positive and negative impact of international donations in the developing world, role of international donors in influencing the agenda of the recipient states, the effect of a donor-dependent culture, and acquiring genuine economic and democratic political development and sustainability of their societies. This aspect of a donor driven society can help in understanding the role of corruption in creating and sustaining a donor-dependent culture and the difficulties in building and cultivating genuine sustainable development.

**POLICY RECOMMENDATIONS**

The PA institutions need to be strengthened in order to reduce corruption through provision of standardised measures, and a monitoring process for PA institutions will aid its institutional development. This will strengthen PA institutions and the public sectors. There needs to be a deconstruction of political culture and priorities. Moreover, there needs to be a permanent solution to the Palestinian question which would establish a viable state structure with internal mechanism to control, monitor and hold
individuals accountable. As such, it will eliminate the justification for corrupt practices in order to bypass restrictive measures towards democratic state building, development and progression. By providing the means whereby they can demand accountability, and impose sanctions on officials’ activities and control and use of state resources to accumulate personal wealth. Moreover, international donor states and organisations should be liable for upholding and implementing rules and regulations to assure accountability both from their own organisation as well as from the receiving country. As such, on an international level, development agendas designed for receiving countries should first include a preparatory stage where focus/consultancy groups of local experts, government officials, and communities should provide inputs on local/domestic priorities and needs. This can reduce superfluous and futile projects which may provide means for corruption by officials and make-shift NGOs. On a national level, by involving the local communities in the policy making process it will encourage and promote transparency and accountability from local representatives and governments officials. This can be accomplished through the reduction of redundant projects, allocation of priorities based on local needs and not based on donors agendas, and assurance of governmental and international donor accountability.
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INTERVIEWS

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Abu Al Haj, Issam. Personal Interview. General Director Jerusalem Legal Aid and Human Rights Center. Ramallah, Palestinian Territories (June 18, 2008).

Aker, MAMDouh. Personal Interview. Commissioner General for the Palestinian Independent Commission for Citizens’ Rights (PICCR); Neurosurgeon; Political Activists. Ramallah, Palestinian Territories (August 6, 2008).

Al-Khatib, Ghassan. Personal Interview. Director, Jerusalem Media & Communication Centre; Vice-President Birzeit University; Former Minister of Labour/Planning; Member of Madrid Peace Delegation and Negotiation Delegation at 1991-1993 Washington Talks. Ramallah, Palestinian Territories (July, 29, 2007; August 18, 2008).

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Ezbidi, Basem, Personal Interview. Lecturer, Political Science, Birzeit University. Birzeit, Palestinian Territories (July 3, 2008).

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Jarbawi, Ali. Personal Interview. Professor of Political Science, Birzeit University; Special Adviser to PM Salam Fayyad on Palestinian Reform & Development Plan. Ramallah, Palestinian Territories (June 26, 2008).
Kassis, Nabil. Personal Interview. President, Birzeit University; Former Minister of Tourism; Member of Madrid Peace Delegation and Deputy Head of Negotiation Delegation at the 1992 Washington Talks; Head of Committee in response to the 1997 Corruption Report. Ramallah, Palestinian Territories (June 3, 2008).


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APPENDICES
Declaration of Principles

On Interim Self-Government Arrangements

(September 13, 1993)

The Government of the State of Israel and the P.L.O. team (in the Jordanian-Palestinian delegation to the Middle East Peace Conference) (the "Palestinian Delegation"), representing the Palestinian people, agree that it is time to put an end to decades of confrontation and conflict, recognize their mutual legitimate and political rights, and strive to live in peaceful coexistence and mutual dignity and security and achieve a just, lasting and comprehensive peace settlement and historic reconciliation through the agreed political process. Accordingly, the, two sides agree to the following principles:

ARTICLE I

AIM OF THE NEGOTIATIONS

The aim of the Israeli-Palestinian negotiations within the current Middle East peace process is, among other things, to establish a Palestinian Interim Self-Government Authority, the elected Council (the "Council"), for the Palestinian people in the West Bank and the Gaza Strip, for a transitional period not exceeding five years, leading to a permanent settlement based on Security Council Resolutions 242 and 338.

It is understood that the interim arrangements are an integral part of the whole peace process and that the negotiations on the permanent status will lead to the implementation of Security Council Resolutions 242 and 338.

ARTICLE II

FRAMEWORK FOR THE INTERIM PERIOD

The agreed framework for the interim period is set forth in this Declaration of Principles.
ARTICLE III
ELECTIONS

1. In order that the Palestinian people in the West Bank and Gaza Strip may govern themselves according to democratic principles, direct, free and general political elections will be held for the Council under agreed supervision and international observation, while the Palestinian police will ensure public order.

2. An agreement will be concluded on the exact mode and conditions of the elections in accordance with the protocol attached as Annex I, with the goal of holding the elections not later than nine months after the entry into force of this Declaration of Principles.

3. These elections will constitute a significant interim preparatory step toward the realization of the legitimate rights of the Palestinian people and their just requirements.

ARTICLE IV
JURISDICTION

Jurisdiction of the Council will cover West Bank and Gaza Strip territory, except for issues that will be negotiated in the permanent status negotiations. The two sides view the West Bank and the Gaza Strip as a single territorial unit, whose integrity will be preserved during the interim period.

ARTICLE V
TRANSITIONAL PERIOD AND PERMANENT STATUS NEGOTIATIONS

1. The five-year transitional period will begin upon the withdrawal from the Gaza Strip and Jericho area.

2. Permanent status negotiations will commence as soon as possible, but not later than the beginning of the third year of the interim period, between the Government of Israel and the Palestinian people representatives.

3. It is understood that these negotiations shall cover remaining issues, including: Jerusalem, refugees, settlements, security arrangements, borders, relations and cooperation with other neighbors, and other issues of common interest.

4. The two parties agree that the outcome of the permanent status negotiations should not be prejudiced or preempted by agreements reached for the interim period.
ARTICLE VI
PREPARATORY TRANSFER OF POWERS AND RESPONSIBILITIES

1. Upon the entry into force of this Declaration of Principles and the withdrawal from the Gaza Strip and the Jericho area, a transfer of authority from the Israeli military government and its Civil Administration to the authorised Palestinians for this task, as detailed herein, will commence. This transfer of authority will be of a preparatory nature until the inauguration of the Council.

2. Immediately after the entry into force of this Declaration of Principles and the withdrawal from the Gaza Strip and Jericho area, with the view to promoting economic development in the West Bank and Gaza Strip, authority will be transferred to the Palestinians on the following spheres: education and culture, health, social welfare, direct taxation, and tourism. The Palestinian side will commence in building the Palestinian police force, as agreed upon. Pending the inauguration of the Council, the two parties may negotiate the transfer of additional powers and responsibilities, as agreed upon.

ARTICLE VII
INTERIM AGREEMENT

1. The Israeli and Palestinian delegations will negotiate an agreement on the interim period (the "Interim Agreement")

2. The Interim Agreement shall specify, among other things, the structure of the Council, the number of its members, and the transfer of powers and responsibilities from the Israeli military government and its Civil Administration to the Council. The Interim Agreement shall also specify the Council’s executive authority, legislative authority in accordance with Article IX below, and the independent Palestinian judicial organs.

3. The Interim Agreement shall include arrangements, to be implemented upon the inauguration of the Council, for the assumption by the Council of all of the powers and responsibilities transferred previously in accordance with Article VI above.

4. In order to enable the Council to promote economic growth, upon its inauguration, the Council will establish, among other things, a Palestinian Electricity Authority, a Gaza Sea Port Authority, a Palestinian Development Bank, a Palestinian Export Promotion Board, a Palestinian Environmental Authority, a Palestinian Land Authority and a Palestinian Water Administration Authority, and any other Authorities agreed upon, in accordance with the Interim Agreement that will specify their powers and responsibilities.
5. After the inauguration of the Council, the Civil Administration will be dissolved, and the Israeli military government will be withdrawn.

ARTICLE VIII
PUBLIC ORDER AND SECURITY

In order to guarantee public order and internal security for the Palestinians of the West Bank and the Gaza Strip, the Council will establish a strong police force, while Israel will continue to carry the responsibility for defending against external threats, as well as the responsibility for overall security of Israelis for the purpose of safeguarding their internal security and public order.

ARTICLE IX
LAWS AND MILITARY ORDERS

1. The Council will be empowered to legislate, in accordance with the Interim Agreement, within all authorities transferred to it.

2. Both parties will review jointly laws and military orders presently in force in remaining spheres.

ARTICLE X
JOINT ISRAELI-PALESTINIAN LIAISON COMMITTEE

In order to provide for a smooth implementation of this Declaration of Principles and any subsequent agreements pertaining to the interim period, upon the entry into force of this Declaration of Principles, a Joint Israeli-Palestinian Liaison Committee will be established in order to deal with issues requiring coordination, other issues of common interest, and disputes.

ARTICLE XI
ISRAELI-PALESTINIAN COOPERATION IN ECONOMIC FIELDS

Recognizing the mutual benefit of cooperation in promoting the development of the West Bank, the Gaza Strip and Israel, upon the entry into force of this Declaration of Principles, an Israeli-Palestinian Economic Cooperation Committee will be established in order to develop and implement in a cooperative manner the programs identified in the protocols attached as Annex III and Annex IV.
ARTICLE XII

LIAISON AND COOPERATION WITH JORDAN AND EGYPT

The two parties will invite the Governments of Jordan and Egypt to participate in establishing further liaison and cooperation arrangements between the Government of Israel and the Palestinian representatives, on the one hand, and the Governments of Jordan and Egypt, on the other hand, to promote cooperation between them. These arrangements will include the constitution of a Continuing Committee that will decide by agreement on the modalities of admission of persons displaced from the West Bank and Gaza Strip in 1967, together with necessary measures to prevent disruption and disorder. Other matters of common concern will be dealt with by this Committee.

ARTICLE XIII

REDEPLOYMENT OF ISRAELI FORCES

1. After the entry into force of this Declaration of Principles, and not later than the eve of elections for the Council, a redeployment of Israeli military forces in the West Bank and the Gaza Strip will take place, in addition to withdrawal of Israeli forces carried out in accordance with Article XIV.

2. In redeploying its military forces, Israel will be guided by the principle that its military forces should be redeployed outside populated areas.

3. Further redeployments to specified locations will be gradually implemented commensurate with the assumption of responsibility for public order and internal security by the Palestinian police force pursuant to Article VIII above.

ARTICLE XIV

ISRAELI WITHDRAWAL FROM THE GAZA STRIP AND JERICHO AREA

Israel will withdraw from the Gaza Strip and Jericho area, as detailed in the protocol attached as Annex II.

ARTICLE XV

RESOLUTION OF DISPUTES

1. Disputes arising out of the application or interpretation of this Declaration of Principles, or any subsequent agreements pertaining to the interim period, shall be resolved by negotiations through the Joint Liaison Committee to be established pursuant to Article X above.
APPENDICES

2. Disputes which cannot be settled by negotiations may be resolved by a mechanism of conciliation to be agreed upon by the parties.

3. The parties may agree to submit to arbitration disputes relating to the interim period, which cannot be settled through conciliation. To this end, upon the agreement of both parties, the parties will establish an Arbitration Committee.

ARTICLE XVI

ISRAELI-PALESTINIAN COOPERATION CONCERNING REGIONAL PROGRAMS

Both parties view the multilateral working groups as an appropriate instrument for promoting a "Marshall Plan", the regional programs and other programs, including special programs for the West Bank and Gaza Strip, as indicated in the protocol attached as Annex IV.

ARTICLE XVII

MISCELLANEOUS PROVISIONS

1. This Declaration of Principles will enter into force one month after its signing.

2. All protocols annexed to this Declaration of Principles and Agreed Minutes pertaining thereto shall be regarded as an integral part hereof.

Done at Washington, D.C., this thirteenth day of September, 1993

For the Government of Israel
   For the P.L.O.

Witnessed By:
The United States of America
   The Russian Federation
ANNEX I

PROTOCOL ON THE MODE AND CONDITIONS OF ELECTIONS

1. Palestinians of Jerusalem who live there will have the right to participate in the election process, according to an agreement between the two sides.

2. In addition, the election agreement should cover, among other things, the following issues:
   a. the system of elections;

   b. the mode of the agreed supervision and international observation and their personal composition; and

   c. rules and regulations regarding election campaign, including agreed arrangements for the organizing of mass media, and the possibility of licensing a broadcasting and TV station.

3. The future status of displaced Palestinians who were registered on 4th June 1967 will not be prejudiced because they are unable to participate in the election process due to practical reasons.

ANNEX II

PROTOCOL ON WITHDRAWAL OF ISRAELI FORCES FROM THE GAZA STRIP AND JERICHO AREA

1. The two sides will conclude and sign within two months from the date of entry into force of this Declaration of Principles, an agreement on the withdrawal of Israeli military forces from the Gaza Strip and Jericho area. This agreement will include comprehensive arrangements to apply in the Gaza Strip and the Jericho area subsequent to the Israeli withdrawal.

2. Israel will implement an accelerated and scheduled withdrawal of Israeli military forces from the Gaza Strip and Jericho area, beginning immediately with the signing of the agreement on the Gaza Strip and Jericho area and to be completed within a period not exceeding four months after the signing of this agreement.

3. The above agreement will include, among other things:
   a. Arrangements for a smooth and peaceful transfer of authority from the Israeli military government and its Civil Administration to the Palestinian representatives.

   b. Structure, powers and responsibilities of the Palestinian authority in these areas, except: external security, settlements, Israelis, foreign relations, and other mutually agreed matters.
APPENDICES

c. Arrangements for the assumption of internal security and public order by the Palestinian police force consisting of police officers recruited locally and from abroad holding Jordanian passports and Palestinian documents issued by Egypt). Those who will participate in the Palestinian police force coming from abroad should be trained as police and police officers.

d. A temporary international or foreign presence, as agreed upon.

e. Establishment of a joint Palestinian-Israeli Coordination and Cooperation Committee for mutual security purposes.

f. An economic development and stabilization program, including the establishment of an Emergency Fund, to encourage foreign investment, and financial and economic support. Both sides will coordinate and cooperate jointly and unilaterally with regional and international parties to support these aims.

g. Arrangements for a safe passage for persons and transportation between the Gaza Strip and Jericho area.

4. The above agreement will include arrangements for coordination between both parties regarding passages:

a. Gaza - Egypt; and
b. Jericho - Jordan.

5. The offices responsible for carrying out the powers and responsibilities of the Palestinian authority under this Annex II and Article VI of the Declaration of Principles will be located in the Gaza Strip and in the Jericho area pending the inauguration of the Council.

6. Other than these agreed arrangements, the status of the Gaza Strip and Jericho area will continue to be an integral part of the West Bank and Gaza Strip, and will not be changed in the interim period.

ANNEX III

PROTOCOL ON ISRAELI-PALESTINIAN COOPERATION IN ECONOMIC AND DEVELOPMENT PROGRAMS

The two sides agree to establish an Israeli-Palestinian continuing Committee for Economic Cooperation, focusing, among other things, on the following:

1. Cooperation in the field of water, including a Water Development Program prepared by experts from both sides, which will also specify the mode of cooperation in the management of water resources in the West Bank and Gaza Strip, and will include proposals for studies and plans on water rights of each party, as well as on the equitable utilization of joint water resources for implementation in and beyond the interim period.
2. Cooperation in the field of electricity, including an Electricity Development Program, which will also specify the mode of cooperation for the production, maintenance, purchase and sale of electricity resources.

3. Cooperation in the field of energy, including an Energy Development Program, which will provide for the exploitation of oil and gas for industrial purposes, particularly in the Gaza Strip and in the Negev, and will encourage further joint exploitation of other energy resources. This Program may also provide for the construction of a Petrochemical industrial complex in the Gaza Strip and the construction of oil and gas pipelines.

4. Cooperation in the field of finance, including a Financial Development and Action Program for the encouragement of international investment in the West Bank and the Gaza Strip, and in Israel, as well as the establishment of a Palestinian Development Bank.

5. Cooperation in the field of transport and communications, including a Program, which will define guidelines for the establishment of a Gaza Sea Port Area, and will provide for the establishing of transport and communications lines to and from the West Bank and the Gaza Strip to Israel and to other countries. In addition, this Program will provide for carrying out the necessary construction of roads, railways, communications lines, etc.

6. Cooperation in the field of trade, including studies, and Trade Promotion Programs, which will encourage local, regional and inter-regional trade, as well as a feasibility study of creating free trade zones in the Gaza Strip and in Israel, mutual access to these zones, and cooperation in other areas related to trade and commerce.

7. Cooperation in the field of industry, including Industrial Development Programs, which will provide for the establishment of joint Israeli-Palestinian Industrial Research and Development Centers, will promote Palestinian-Israeli joint ventures, and provide guidelines for cooperation in the textile, food, pharmaceutical, electronics, diamonds, computer and science-based industries.

8. A program for cooperation in, and regulation of, labor relations and cooperation in social welfare issues.

9. A Human Resources Development and Cooperation Plan, providing for joint Israeli-Palestinian workshops and seminars, and for the establishment of joint vocational training centers, research institutes and data banks.

10. An Environmental Protection Plan, providing for joint and/or coordinated measures in this sphere.

11. A program for developing coordination and cooperation in the field of communication and media.

12. Any other programs of mutual interest.
ANNEX IV

PROTOCOL ON ISRAELI-PALESTINIAN COOPERATION CONCERNING REGIONAL DEVELOPMENT PROGRAMS

1. The two sides will cooperate in the context of the multilateral peace efforts in promoting a Development Program for the region, including the West Bank and the Gaza Strip, to be initiated by the G-7. The parties will request the G-7 to seek the participation in this program of other interested states, such as members of the Organisation for Economic Cooperation and Development, regional Arab states and institutions, as well as members of the private sector.

2. The Development Program will consist of two elements:
   a. an Economic Development Program for the West Bank and the Gaza Strip.
   b. a Regional Economic Development Program.

A. The Economic Development Program for the West Bank and the Gaza strip will consist of the following elements:

1. A Social Rehabilitation Program, including a Housing and Construction Program.


3. An Infrastructure Development Program (water, electricity, transportation and communications, etc.)


5. Other programs.

B. The Regional Economic Development Program may consist of the following elements:

1. The establishment of a Middle East Development Fund, as a first step, and a Middle East Development Bank, as a second step.

2. The development of a joint Israeli-Palestinian-Jordanian Plan for coordinated exploitation of the Dead Sea area.

3. The Mediterranean Sea (Gaza) - Dead Sea Canal.

4. Regional Desalination and other water development projects.

5. A regional plan for agricultural development, including a coordinated regional effort for the prevention of desertification.

6. Interconnection of electricity grids.
APPENDICES

7. Regional cooperation for the transfer, distribution and industrial exploitation of gas, oil and other energy resources.

8. A Regional Tourism, Transportation and Telecommunications Development Plan.

9. Regional cooperation in other spheres.

3. The two sides will encourage the multilateral working groups, and will coordinate towards their success. The two parties will encourage intersessional activities, as well as pre-feasibility and feasibility studies, within the various multilateral working groups.

AGREED MINUTES TO THE DECLARATION OF PRINCIPLES ON INTERIM SELF-GOVERNMENT ARRANGEMENTS

A. GENERAL UNDERSTANDINGS AND AGREEMENTS

Any powers and responsibilities transferred to the Palestinians pursuant to the Declaration of Principles prior to the inauguration of the Council will be subject to the same principles pertaining to Article IV, as set out in these Agreed Minutes below.

B. SPECIFIC UNDERSTANDINGS AND AGREEMENTS

Article IV

It is understood that:

1. Jurisdiction of the Council will cover West Bank and Gaza Strip territory, except for issues that will be negotiated in the permanent status negotiations: Jerusalem, settlements, military locations, and Israelis.

2. The Council’s jurisdiction will apply with regard to the agreed powers, responsibilities, spheres and authorities transferred to it.

Article VI (2)

It is agreed that the transfer of authority will be as follows:

1. The Palestinian side will inform the Israeli side of the names of the authorised Palestinians who will assume the powers, authorities and responsibilities that will be transferred to the Palestinians according to the Declaration of Principles in the following fields: education and culture, health, social welfare, direct taxation, tourism, and any other authorities agreed upon.
2. It is understood that the rights and obligations of these offices will not be affected.

3. Each of the spheres described above will continue to enjoy existing budgetary allocations in accordance with arrangements to be mutually agreed upon. These arrangements also will provide for the necessary adjustments required in order to take into account the taxes collected by the direct taxation office.

4. Upon the execution of the Declaration of Principles, the Israeli and Palestinian delegations will immediately commence negotiations on a detailed plan for the transfer of authority on the above offices in accordance with the above understandings.

Article VII (2)

The Interim Agreement will also include arrangements for coordination and cooperation.

Article VII (5)

The withdrawal of the military government will not prevent Israel from exercising the powers and responsibilities not transferred to the Council.

Article VIII

It is understood that the Interim Agreement will include arrangements for cooperation and coordination between the two parties in this regard. It is also agreed that the transfer of powers and responsibilities to the Palestinian police will be accomplished in a phased manner, as agreed in the Interim Agreement.

Article X

It is agreed that, upon the entry into force of the Declaration of Principles, the Israeli and Palestinian delegations will exchange the names of the individuals designated by them as members of the Joint Israeli-Palestinian Liaison Committee.

It is further agreed that each side will have an equal number of members in the Joint Committee. The Joint Committee will reach decisions by agreement. The Joint Committee may add other technicians and experts, as necessary. The Joint Committee will decide on the frequency and place or places of its meetings.
Annex II

It is understood that, subsequent to the Israeli withdrawal, Israel will continue to be responsible for external security, and for internal security and public order of settlements and Israelis. Israeli military forces and civilians may continue to use roads freely within the Gaza Strip and the Jericho area.

Done at Washington, D.C., this thirteenth day of September, 1993.

For the Government of Israel
For the P.L.O.

Witnessed By:

The United States of America
The Russian Federation
APPENDICES

ISRAELI AND PALESTINIAN SECURITY-CONTROLLED AREAS

Area "A" - Under full Palestinian security control pursuant to 1994 Oslo Accords

Israeli Security-Controlled Area

Green Line (1967 Pre-Occupation Border)

FACTS ON PALESTINIAN SECURITY-CONTROLLED AREAS (Area "A")

- Palestinian Authority controls only 17.2% of the Occupied West Bank divided into 13 non-contiguous reservations
- Palestinian Authority controls only 90% of the Occupied Gaza Strip
- Palestinian Authority controls only 21.7% of the Occupied Palestinian Territories
- Palestinian Authority controls only 5% of Historical Palestine

Since 2006, Israel has invaded and otherwise violated the territorial integrity of Area "A". For all practical purposes, Area "A" does not exist.